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general so I would like to outline what I consider some minimum conditions for any proposed pipeline and/or transportation corridor construction.

1. That land claims of northern natives be settled to their satisfaction.
2. Public control of any pipeline or related projects.
3. Development only as part of a general and comprehensive energy policy which gives equal weight to the urgent need for conservation and the development of alternate energy sources.
4. Accurate identification of Canadian energy needs and if necessary, the repatriation of energy supplies already contracted.
5. The satisfactory development of ways and means to reduce potentially harmful environmental consequences.

Mr. Commissioner, your Inquiry provides a focus for many opposing points of view and for many varied philosophies. Emotions run high. Compromise is often difficult. The stakes are high and I am not referring to dollars and profits. This may be the last chance we have to deal honorably with the peoples of the north. This may be the last chance we have to consider the consequences of unchecked and careless development policies. This may be the last chance ^{we have} to determine the path that we wish to take as one nation, independent both culturally and economically.

The Honorable Hugh Falkner, in a speech given here in Winnipeg last week on the disrepair of our national identity and lack of cultural self-knowledge stated:

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MACKENZIE VALLEY PIPELINE INQUIRY

Government
Publications

8

IN THE MATTER OF APPLICATIONS BY EACH OF

- (a) CANADIAN ARCTIC GAS PIPELINE LIMITED FOR A RIGHT-OF-WAY THAT MIGHT BE GRANTED ACROSS CROWN LANDS WITHIN THE YUKON TERRITORY AND THE NORTHWEST TERRITORIES, and
 - (b) FOOTHILLS PIPE LINES LTD. FOR A RIGHT-OF-WAY THAT MIGHT BE GRANTED ACROSS CROWN LANDS WITHIN THE NORTHWEST TERRITORIES
- FOR THE PURPOSE OF A PROPOSED MACKENZIE VALLEY PIPELINE

and

IN THE MATTER OF THE SOCIAL, ENVIRONMENTAL AND ECONOMIC IMPACT REGIONALLY OF THE CONSTRUCTION, OPERATION AND SUBSEQUENT ABANDONMENT OF THE ABOVE PROPOSED PIPELINE

(Before the Honourable Mr. Justice Berger, Commissioner)

Pegina, Saskatchewan

May 19, 1976

PROCEEDINGS AT COMMUNITY HEARING

Volume 56

347
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Community 56

CANADIAN ARCTIC
GAS STUDY LTD.

JUN-7 1976

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APPEARANCES:

Mr. Ian G. Scott, Q.C.
Mr. Ian Waddell, and for Mackenzie Valley Pipeline
Mr. Ian Roland, Inquiry;
Mr. Pierre Genest, Q.C. and
Mr. Darryl Carter, for Canadian Arctic Gas
Pipeline Limited;
Mr. Alan Hollingworth and
Mr. John W. Lutes, for Foothills Pipe Lines Ltd.;
Mr. Russell Anthony and
Pro. Alastair Lucas for Canadian Arctic Resources
Committee;
Mr. Glen Bell, for Northwest Territories
Indian Brotherhood, and
Metis Association of the
Northwest Territories.

NOEL STANLEY

JOE GUNN
JOHN PILLING

PAT GALLAGHER

FRANK FREEMAN

COLIN STEWART

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COLIN ALEXANDER

MISS EUGENE DUSEL
MISS LAURA HENNINGER
MISS ELIZABETH SCHNODER

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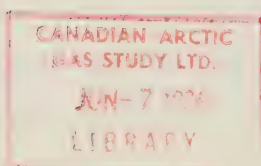
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1 Regina, Saskatchewan

2 May 19, 1976

3 (PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

4 THE COMMISSIONER: Ladies and
5 gentlemen, I'll call our hearing to order this evening.
6 The Mackenzie Valley Pipeline Inquiry is holding
7 hearings in the main centers of southern Canada to
8 consider the views of people like yourselves who have
9 advised the Inquiry that you want to make representations
10 about this question of fundamental national policy.

11 I say that it is a question of
12 fundamental national policy because we in Canada stand
13 now at our last frontier and we have some important
14 decisions to make, decisions for which all of us will
15 share a measure of responsibility.

16 As I think you know, two
17 pipeline companies, Arctic Gas and Foothills Pipe Lines,
18 are competing for the right to build a gas pipeline
19 to bring natural gas from the Arctic Ocean to southern
20 Canada and the United States. The Government of
21 Canada has established this Inquiry to see what the
22 social, economic and environmental consequences will be
23 to northern Canada if the pipeline goes ahead and to
24 recommend what terms and conditions should be imposed
25 if the pipeline is built.

26 So, we are conducting an
27 Inquiry about a proposal to build a pipeline along the
28 route of Canada's mightiest river, a pipeline costlier
29 than any in history, a pipeline to be built across
30 our northern Territories, a land where four races of

1 people, white, Indian, Metis and Inuit live, where
2 seven different languages are spoken, the first pipeline
3 in the world to be buried in the permafrost.

4 Now, the pipeline project will
5 not consist simply of a right-of-way. It will take
6 three years to build. It will entail hundreds of miles
7 of access roads over the snow and ice. It will mean
8 that 6,000 workers will be needed to build the pipeline
9 and 1,200 more to build the gas plants in the Mackenzie
10 Delta. It will require 30 million cubic yards of
11 gravel and necessitate the establishment of 98 gravel
12 mining operations. It will mean pipe, barges, wharves,
13 trucks, machinery, aircraft, airstrips. In addition,
14 it will mean enhanced oil and gas exploration develop-
15 ment in the Mackenzie Valley, the Mackenzie Delta and
16 the Beaufort Sea.

17 Now, the Government of Canada
18 has made it plain that the gas pipeline is not to be
19 considered in isolation. In the Expanded Guidelines
20 For Northern Pipelines tabled in the House of Commons,
21 they have laid it down that we are to proceed on the
22 assumption that if a gas pipeline is built, an oil
23 pipeline will follow, so we must consider the impact of
24 an energy corridor that will bring gas and oil from the
25 Arctic to the mid-continent.

26 Now, it isn't going to be for
27 this Inquiry to decide whether a pipeline should be
28 built and an energy corridor established. That is a
29 matter for the Government of Canada as it must be, for
30 those elected to govern our country to determine, and

1 they will determine that question when they have my
 2 report and the report of the National Energy Board and
 3 these are, as I say, questions of national policy to
 4 be determined by those elected to govern.

5 My task and the task of this
 6 Inquiry is to make sure that we understand the conse-
 7 quences of what we are doing to enable the government
 8 of Canada to make an informed judgment. This Inquiry
 9 began its hearings on March 3rd, 1975 in Yellowknife.
 10 That is about 15 months ago. Since then, we have held
 11 many months of formal hearings listening to the evidence
 12 of engineers, scientists, biologists, anthropologists,
 13 economists, listening to the people who have made it
 14 the work of their lifetime to study the north and
 15 northern conditions.

16 The environment of the Arctic
 17 has been called fragile. That may or may not be true.
 18 Arctic species certainly are tough. They have to be
 19 to survive, but at certain times of the year, especially
 20 when they are having their young, they are vulnerable.
 21 If you build a pipeline from Alaska along the Arctic
 22 coast of the Yukon, you will be opening up a wilderness
 23 where the porcupine caribou herd calves on the coastal
 24 plain and in the foothills every summer. This is one
 25 of the last great herds of caribou in North America.

26 Then it is proposed that the
 27 pipeline from Alaska should cross the mouth of the
 28 Mackenzie Delta where the white whales of the Beaufort
 29 Sea have their young each summer. Millions of birds
 30 come to the Mackenzie Delta and the coast of the

1 Beaufort Sea each summer from all over the western
2 hemisphere to breed and to store up energy for their
3 long journey south in the fall.

4 Can we build pipelines
5 the north under conditions that will ensure the
6 survival of these species? These are some of the
7 questions that the Inquiry is wrestling with. But
8 is the people of the north that have the most at stake
9 here because they will have to live with whatever
10 decisions are made. That is why this Inquiry has held
11 hearings in 28 cities and towns, villages, settlements
12 and outposts in the Canadian north to enable the
13 peoples of the north to tell me, to tell the government
14 and to tell all of us what their life and their own
15 experience have taught them about the north and the
16 likely impact of a pipeline and energy corridor.

17 The Inquiry has been from
18 Sachs Harbor to Fort Smith, from Old Crow to Fort
19 Franklin and has heard from 700 witnesses in Inuktitut,
20 French, Loucheux, Slavey, Dogrib, Chipewyan and Eskimo.

21 Our task, the task of this
22 Inquiry is to establish constructive approaches to
23 northern development. If we are to do that, we have
24 an obligation to canvass all of the questions before us.
25 Some of these questions are: Should native land
26 claims be settled before the pipeline is built? If
27 the pipeline is built and the native people want to
28 participate in its construction, how can we ensure that
29 they are given an opportunity to work on the pipeline?
30 Can they develop skills on the pipeline that will be of

1 some use to themselves and to the north after the
2 pipeline is built?

3 Can we provide a sound basis
4 for northern business to obtain contracts and sub-
5 contracts on the pipeline? What about the unions?
6 We are told they have an awesome measure of control
7 over pipeline construction in Alaska. Should they
8 have the same measure of control over pipeline con-
9 struction in the Mackenzie Valley? What about the
10 local taxpayer in Yellowknife and Inuvik?

11 If you have a pipeline boom,
12 you will have to expand your schools, your hospitals,
13 your police force, your local services. What measures
14 ought to be taken to enable the municipalities and
15 other institutions of local government to cope with the
16 impact?

17 This Inquiry has been going
18 on, as I say now, since March 3rd, 1975. At our
19 hearings, the two pipeline companies, Arctic Gas and
20 Foothills Pipe Lines have both been represented on a
21 continuous basis. The native organizations representing
22 the native peoples of the north have been represented
23 on a continuous basis at the Inquiry. The Canadian
24 Arctic Resources Committee which heads a coalition of
25 environmental groups has been represented at the Inquiry
26 when the Inquiry has been dealing with environmental
27 issues.

28 The Northwest Territories
29 Association of Municipalities is represented at the
30 Inquiry during the phase that we will be returning to,

1 when we go back to Yellowknife on June 14th which
2 deals with the impact on northern towns and northern
3 settlements. The Northwest Territories Chamber of
4 Commerce will be represented at the Inquiry when we
5 deal with the question of the impact on northern
6 business. These organizations have been provided
7 with funds on the Inquiry's recommendation to enable
8 them to participate in the hearings of the Inquiry,
9 the formal hearings in Yellowknife, along with the
10 pipeline companies and the oil and gas industry.

11 We are here now to spend a
12 month in the major centers of southern Canada to
13 consider what the people who live here have to say
14 about the proposed pipeline and energy corridor, and
15 about the future of the Canadian north. We Canadians
16 think of ourselves as a northern people so the
17 future of the north is a matter of concern to all of
18 us. In fact, it is our own appetite for oil and gas
19 and our own patterns of energy consumption that have
20 given rise to proposals to bring oil and gas from the
21 Arctic. It may well be that what happens in the north
22 and to northern peoples will tell us something about
23 what kind of a country Canada is and what kind of a
24 people we are. So that is why we are here to listen to
25 you.

26 I think I should tell you
27 that we have some visitors from the Canadian north with
28 us today. The CBC established a broadcasting unit
29 that travels with the Inquiry wherever it goes and
30 broadcasts on the CBC's northern service in the

1 Northwest Territories and the Yukon each evening for
2 an hour whenever the Inquiry is holding hearings. The
3 broadcasts go out to northern peoples over the radio
4 each evening in English and the native languages and
5 those broadcasters are accompanying the Inquiry on
6 its tour of southern cities and are broadcasting each
7 evening from southern Canada to northern Canada,
8 reporting what is being said here at these hearings in
9 the main centers in the provinces.

10 Those broadcasters are Whit
11 Fraser who broadcasts in English, Jim Sittichinli who
12 broadcasts in Loucheux, Louis Blondin who broadcasts in
13 Slavey, Joe Toby who broadcasts in Dogrib and Chipewyan,
14 and Abe Okpik who broadcasts in Inuktitut.

15 So, I'll ask Mr. Goudge of
16 Commission Counsel to outline our procedure for the
17 evening.

18 MR. GOUDGE: Yes sir. I
19 should begin by saying that these procedures have been
20 agreed to by all the full-time participants who are
21 appearing before you in Yellowknife and they're obvious-
22 ly designed to facilitate a full and fair participation
23 by everyone who wishes to say something tonight.

24 The Inquiry advertised in all
25 the major papers of southern Canada asking for written
26 briefs to be forwarded to the office the Inquiry has
27 in Ottawa by May the 1st. That was in order to permit
28 us to plan the use of our time in southern Canada most
29 expeditiously and those who replied from Regina have
30 been scheduled by Mr. Waddell to speak tonight. Any

1 others who did not submit written briefs but who do
2 wish to say something would be advised I think to see
3 Mr. Waddell and he'll do his best to fit them into our
4 schedule here.

5 The procedures that we propose
6 to use tonight are very simple. First, there will be
7 no cross-examination of those who appear at these
8 hearings tonight in Regina. Secondly, the full-time
9 participants who have been appearing before the Inquiry
10 will be able to make a brief response at the end of
11 this evening's procedures to what has been said tonight
12 to you. Thirdly, we will ask that all witnesses
13 take the oath or affirm. That is the procedure we
14 have used in the north and that is indicative I think
15 of the importance the Inquiry places on what is to be
16 said tonight.

17 Those are the procedures sir
18 we'd propose to use this evening and I think Mr.
19 Waddell has the schedule.

20 MR. WADDELL: I might say
21 Mr. Commissioner before I call the first brief that
22 we'll try and make some further room at the back of
23 the hall for those who are standing, so just bear with
24 us.

25 I would call then Mr. Commissioner
26 as the first brief the Saskatchewan Association of
27 Human Rights. I believe the brief will be presented
28 by Mr. Lloyd Robertson and he will have with him Bill
29 Harding and Tom Burns. Mr. Robertson?

LLOYD ROBERTSON,
CHARLES BRECKEN, *second*

Robertson & Brecken

WITNESS

1 ROBERTSON: I have with
2 me a five page brief from the Saskatchewan Association
3 on Human Rights and I do not--

4 THE COMMISSIONER: Perhaps
5 you'd introduce yourself and your colleague again. I
6 think I missed that.

7 A All right. My name is
8 Lloyd Robertson. I'm with the Saskatchewan Association
9 on Human Rights and with me is Charles Brecken of the
10 Regina Association on Human Rights.

11 THE COMMISSIONER: Fine.

12 A As I was
13 saying, I do not propose to read this brief to you,
14 although I'll leave it with your secretary. I'd
15 like to thank you for the opportunity of allowing us
16 this opportunity to present our views to you.

17 Our brief is more a letter of
18 support to what we view the position of the Dene
19 people to be than a brief outlining our own particular
20 interests. We view the Dene position as being, put
21 simply, that no pipeline or other industrial development
22 should take place until the land claims, the native
23 land claims in the Northwest Territories are settled.

24 We have some sympathy for
25 the position of the Association of Metis and Non-Status
26 Indians of Saskatchewan who have been distributing a
27 leaflet outside. The leaflet states in part that they are
28 not submitting a brief to the Berger Inquiry because:

29 "We do not believe that the Inquiry has been
30 formed to provide justice for native land claims".

This, I am sure is not intended as any kind of slur upon your character Justice Berger, for the representatives of the Dene and Inuit people that I have certainly talked with and the Metis society have talked with hold you in great esteem. It is however a reflection of our opinion of the Federal Government.

If I may draw an analogy, I am part owner of a house and I cannot see the government holding an Inquiry as to whether or not they should expropriate my house and if they did intend to expropriate my house, I cannot see them holding an inquiry as to whether or not I should receive compensation or whether they should expropriate the house, do whatever they have planned for that property and maybe in some years time, talk about compensation.

It is further the position of my Association that the history of Canada is not an honorable one, particularly in its dealings with native people. Canada began as a colony, a colony based in southern Ontario and southern Quebec and to a large extent, Confederation was an attempt by this colony to expand to what was then known as the Northwest to exploit that land for their own economic reasons. In a sense then, the colonists who came out here were part of a colony of a colony and the native people who were, by various means, pushed aside, were not even that. In fact, it could be argued they were not even slaves because you have to provide work and you have to provide sustenance for slaves.

Robertson & Brecken

We feel that this proposed development at this time, ignoring native land claims, furthers this unfortunate, this dishonorable history of Canada in its relationship towards its native peoples. We feel that the inspiration for this pipeline policy is a result of short-term greed, that the gas and oil that is present up there is not a renewable resource and further that it will be there if left for many years hence, for future generations, if need be.

We feel that it's important for Canada now to begin learning the principles of greater energy conservation and that this is an opportunity now to delay this further development, learn more about conservation of this valuable resource while at the same time making an equitable and fair settlement with native peoples in the north.

That, Mr. Justice Berger, is a summary of our brief. I believe Mr. Brecken has a few words for you as well.

WITNESS BRECKEN: Judge Berger, Commission members, native people, ladies and gentlemen. The Regina Human Rights Association is please to take the opportunity to put in a plea that the human rights of the native people living in the Mackenzie Valley be respected in regards to government decisions as to whether or not to build a gas pipeline and corridor up through the Mackenzie Valley.

We believe that the land claims must be settled before any construction begins. We further believe that when and if construction does

Robertson & Brecken
Ms. M. Schubert

1 go ahead, native people should be in full control of
2 all decision making as to the time, the place, who
3 the constructors should be and how it should be
4 constructed.

5 Thank you.

6 THE COMMISSIONER: Well thank
7 you Mr. Robertson. Thank you Mr. Brecken.

8 (SUBMISSION OF THE SASKATCHEWAN ASSOCIATION OF
9 HUMAN RIGHTS MARKED AS EXHIBIT C-382)

10 (WITNESSES ASIDE)

11 MR. WADDELL: Mr. Commissioner,
12 for our next brief I am going to drop down our list a
13 little bit and call Ms. Monica Schubert who is from
14 OXFAM. Ms. Schubert has been ill tonight and so I'd
15 like to call her now.

16 MS. MONICA SCHUBERT, affirmed;

17 THE COMMISSIONER: Go
18 ahead whenever you're ready.

19 THE WITNESS: Yes. Right.
20 European whites, Mr. Berger and that means most of us
21 white Canadians sitting here in this room with you,
22 have traditionally found only one way of resolving
23 their problems. They export them.

24 In the 17th century, religious
25 troubles erupted in Britain. The dissenters left for
26 North America. They established freedom to worship
27 indeed as they intended, but at the expense of the
28 native inhabitants, pushing them further and further
29 west as they expanded their own communities. In the
30 18th and 19th centuries, Europe experienced economic

Ms. M. Schubert

1 and industrial problems. Those hardest hit moved
2 on. The Third World, Asia, Africa, Latin America,
3 even Australia and Canada to some extent were ravaged,
4 exploited, all but laid waste so that the white man's
5 greed could be satiated.

6 Now, in the second half of
7 the twentieth century, we find ourselves faced with an
8 energy crisis and we react in the same way as before.
9 Like the cuckoo who uses other birds' nests as a
10 depository for its eggs, we turn to the Northwest
11 Territories, not that we have much choice. There isn't
12 much land left for us to exploit.

13 It is my contention that we
14 must stop acting like the cuckoo and must look for our
15 solutions closer to home. In this case, we must find
16 sources of energy somewhere within our own borders.
17 We must leave the Northwest Territories for the native
18 Dene and Inuit people to administer and develop as
19 they see fit. For us, the solutions will have to come
20 from within.

21 Perhaps we should stop flood-
22 lighting our gigantic buildings off the dock when no
23 one is working there. Perhaps we should stop buying
24 bigger and stronger cars and more of them. Perhaps
25 the internal combustion engines should be superceded by
26 a form of transport which uses cheaper forms of fuel
27 and less of it. Perhaps we should take the advice of
28 the British Energy Council, and shower with a friend.

29 Our much wanted technical
30 expertise and creativity could surely help us in

Ms. M. Schuler

developing new strategies to deal with the energy crisis without depriving the Dene and other people of their traditional and modern ways of living.

Chief Justice Morley ruled in 1973 that the Dene people had established a sufficient interest in the 400,000 square miles covered by Treaties 8 and 11 to justify filing a caveat. For the rest of the territory through which the Mackenzie Pipeline is scheduled to pass, the native inhabitants have never relinquished their claim at all. If this is so, then there can surely be no question of laying anything at all, even if such a move is argued to be valuable. Once title to the Northwest Territories has been established, it will be for the holders of the title to consider whether or not the social, environmental and economic changes brought about by the laying of the pipeline would indeed be beneficial.

The Government, Mr. Berger is inclined to look upon the indigenous native population of our country as being less mature in some way than responsible citizens with substantial bank balances. I am concerned to see that even if the Dene people have no computerized statistical analysis of scientific data at this time, they as immemorial inhabitants of the northlands may be acknowledged to be more sophisticated than we in the south in their basic knowledge and understanding of what is after all their own environment.

Ms. M. Schubert

1 of consultation with government about development in
2 the north but the final responsibility must surely lie
3 with them. But, because I am a realist, and because I
4 am very much afraid that the pipeline will be built
5 anyway, since in our materialistic and numnerate
6 society, the rights of 20,000 Dene people are by no
7 means commensurate with the wishes for a better life
8 of 20 million southern Canadians. I wish to make the
9 following suggestions to you.

10 In the event of the pipeline
11 being built, it's cost should by no means run along
12 fertile -- or reasonably fertile Mackenzie Valley,
13 that part of the Northwest Territories most suited to
14 human habitation. Rather, it should run east of Great
15 Slave Lake and south through Saskatchewan, so that a
16 minimum of ecological damage may be done.

17 In addition, it seems to me
18 only fair that the companies involved should pay a
19 royalty to the Dene people through whose land the
20 pipeline would run. Such a royalty would not of
21 course prejudice title to the land at all, in much the
22 same way as an author being paid royalties for a book
23 does not lose his copyright privileges. This money
24 might then be used for development of the north as it
25 seems fitting to the Indian people who will inevitably
26 reap whatever harvest the planting of such a pipeline
27 would produce.

28 Thank you.

29 (SUBMISSION OF MONICA SCHUBERT MARKED AS EXHIBIT
30 C-383)

P. Black

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner,
I'm going to call as the next brief, Peter Black who is
with the Energy Secretariat, Department of Mineral
Resources in the Government of Saskatchewan. Mr.
Black will be presenting the brief for that Department.

PETER BLACK, sworn;

THE WITNESS: Thank you. Mr.
Justice Berger, the Saskatchewan Government greatly
appreciates the fact that the Mackenzie Valley Pipeline
Inquiry is holding hearings across southern Canada.
Additional media coverage of such hearings should make
southern Canadians more aware of and concerned about
the massive resource development contemplated for our
country's northland.

The southern hearings will
provide greater access for interested Canadians to
outline their views to the Inquiry. Moreover, such
hearings indicate that the Inquiry is interested to
learn the views of southern Canadians about development
proposals whose impact per person nevertheless will
be far greater north of the sixtieth parallel than
south of that line.

The Saskatchewan Government
has relatively limited involvement in northern affairs
per se, that is the affairs of the persons who reside
north of 60. Consequently, we hesitate to offer
suggestions as to what might be an appropriate manner
for future development in the northern half of
Canada. The fact remains however that it is southern

P. Black

Canadian and in some respects foreign interests, that have instigated the proposals for massive changes in the north, ^{it is} and the government of all Canadians which will have to make decisions on these proposals.

In this context therefore, and because Saskatchewan has several concerns respecting the proposals to construct a gas pipeline along the Mackenzie Valley, we are submitting this brief to your Inquiry.

Saskatchewan's concern in respect to the competing applications to build a Mackenzie Valley Gas Pipeline have already been outlined to the National Energy Board. We understand and appreciate that your Inquiry is of the view that questions relating to gas supply, Canada's gas requirements and the export of gas are for the National Energy Board to consider. We attempt therefore in what follows to comment only on those matters which we feel are relevant to the potential impact of the Mackenzie Valley Gas Pipeline on northern Canada.

Before we outline these points, you may be interested to know that in our submission of September 1975 to the National Energy Board hearings on these pipeline applications, we cited the importance of your Inquiry as follows:

"Saskatchewan looks forward to a comprehensive examination of a Mackenzie Valley Pipeline and adequate resolution of several important issues associated with its construction and operation.

Some of these main issues include the construction of

P. Black

1 impact of a northern pipeline and the very real effects
2 which it will have upon northern residents. This
3 latter aspect raises matters of a profound social
4 and ethical nature.

5 As an example, we cite the issues outlined
6 in the Labor Day message of the Canadian Catholic
7 Conference dated September 1, '75. Saskatchewan
8 submits that the pending report of the Berger
9 Commission would appear to be highly relevant to
10 the making of sound and just decisions on the
11 social questions raised by the applications before
12 the National Energy Board."

13 One of the main issues which
14 we raised in our submission to the NEB or National
15 Energy Board, is the question of the appropriate
16 timing of pipeline development along the Mackenzie
17 Valley. While this question obviously related to the
18 demand for and the supply of natural gas which falls
19 within the National Energy Board's jurisdiction, we
20 feel that it is also an important determinant of the
21 northern impact of such development.

22 To underline this matter, we
23 submit that the construction of such a pipeline in the
24 late 1980's for example would have a far different and
25 presumably less deleterious impact on the north than
26 if it were constructed in the late 1970's. We are
27 not hereby suggesting a particular date of construction
28 which would be in Canada's overall interest. Rather,
29 the point we wish to make is that a difference in
30 timing of several years, particularly given the current

high rate of social and organizational changes in northern Canada may well result in a significantly improved environmental, social and economic impact of a Mackenzie Valley Gas Pipeline. Such additional time could allow for such things as:

(a) Further examination of the likely environmental impact of a pipeline and the design of appropriate measures to ameliorate such impact.

(b) Additional research by native organizations in respect of land claims and additional negotiations thereon with the Federal Government, and,

(c) Further preparation by individuals, organizations, local governments and the Federal Government to cope with and improve the impact of pipeline construction and operation.

Before outlining the particular aspect of pipeline timing which Saskatchewan feels relevant to your Inquiry, I should like to relate the project to the more general context of northern Canadian development. Given that northern and southern Canada share a common country and a common government, it is reasonable to expect that over time, the activities and economies of these two parts of Canada will interact to an increasing extent. Northern Canada relies on southern Canada for certain services and goods, and vice versa. Given the relatively fragile socio-economic and environmental system in northern Canada however, Saskatchewan submits that southern Canada should seek to limit its demands on the north both in terms of timing and extent of development.

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overwhelm this fragile northern system.

Not only should southern Canada limit its own demands, it should limit even more strictly the demands of foreign countries for northern Canadian services and goods. This need for differentiations between the nationality of the demands for northern resources is particularly applicable in the case of a Mackenzie Valley Gas Pipeline.

If the timing of northern development is relevant to the impact which such development would have on the north, it is also relevant to the above-mentioned separate national demands of the natural gas of northern Canada. We do not wish to delve into the details of this situation which, as your Inquiry has stated, are more properly the concern of the National Energy Board.

Suffice it to say however that Canada has licensed exports of gas over many years into the future. The current annual volume of these exports is equivalent to about 70 percent of Canada's present annual consumption. Another way of describing that is to say that Canada's production of natural gas is equivalent to roughly 170 percent of our consumption of gas, with 70 percent obviously going to export.

Saskatchewan submits and the Federal Government agrees that Canadians have first priority to utilize all of Canada's natural gas if necessary, regardless of long-term export licenses. We further submit that construction and operation of the

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1 Mackenzie Valley Gas Pipeline prior to the date in the
2 1980's when Canada's consumption of gas will catch up
3 with her production of gas will mean the Mackenzie
4 Delta gas will essentially be produced to serve the
5 export market in the interim. While such gas exports,
6 under existing licenses represent a legitimate objective
7 of Canada, Saskatchewan submits that the maintenance
8 of such gas exports are clearly of secondary importance
9 to the question of meeting Canada's own gas requirements
10 to the extent that deferring the fulfillment of our gas
11 export commitments for several years provides
12 additional time for southern and northern Canada to
13 prepare for a Mackenzie Valley Pipeline. We feel that
14 such a deferment should be seriously considered.

15 By this measure, Canada could
16 avoid any unnecessarily rapid development of northern
17 Canada which would result from serving the energy markets
18 of foreign countries. Saskatchewan submits that this
19 question of the appropriate timing of a Mackenzie
20 Valley Gas Pipeline and the fact that foreign countries
21 in particular stand to benefit from early pipeline
22 construction are relevant to the matters under considera-
23 tion by your Inquiry.

24 A second issue of possible
25 relevance to your Inquiry is that of the ownership of
26 a Mackenzie Valley Gas Pipeline. In our submission
27 to the National Energy Board, Saskatchewan recommended
28 that consideration be given to public ownership of this
29 important national project. By public ownership, we
30 refer to a corporation whose equity financing is

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provided by and whose shares are held by Canadian Governments. Such a corporation's Board of Directors would be comprised of people responsible to the Canadian electorate and representatives of interest groups whose opinions and expertise would be of assistance to the pipeline corporation in carrying out its objectives. The objectives of the corporation moreover , could be whatever might be appropriately determined by Canadian governments as provided for in the corporation's enabling legislation or letters patent.

We submit that the option of public ownership of a Mackenzie Valley Pipeline represents a means of achieving several possible benefits in terms of impact on the north.

1. First, by providing for the representation of northern Canadian residents on the Board of Directors. Public ownership could provide more directly for northern input into the determination of pipeline design, construction scheduling and procedures as well as employment and operating practises.

2. Second, uninhibited by the absolute criterion of profit performance, a publicly owned pipeline organization would be more amenable to taking measures which sacrifice the profit goal in order to serve the broader objective of an appropriate social and environmental impact on northern Canada.

3. Thirdly, public ownership would more directly ensure that the relevant plans and practises of the corporation were adequately known by the Government of

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Canada in order that changes could be made to such plans which were deemed appropriate.

4. Fourthly, public ownership would ensure that actions taken in northern Canada were made entirely by Canadians serving Canadian objectives.

The Saskatchewan Government's third general submission to the National Energy Board was that in the absence of public ownership of a Mackenzie Valley Gas Pipeline, the project outlined by Foothills Pipe Line Limited, in other words, the Maple Leaf project, would be preferable. While the Maple Leaf project has many relative advantages over its competitor from Canada's point of view, we believe that it also provides certain relative benefits from the point of view of its impact on northern Canada.

1. First, by virtue of its smaller diameter and shorter length it would likely result in a smaller environmental impact on the north.

2. Second, Foothills Pipe Line has already demonstrated to some extent its sensitivity to northern needs by virtue of its Northern Training Program and its offer to provide lower cost gas service to communities along the Mackenzie Valley.

3. Third, Foothills current and projected ownership structure is entirely Canadian with the attendant benefits thereof, some of which I mentioned previously. In this regard, Saskatchewan submits that just as northern development should be timed in accordance with northern and southern Canadian and not foreign schedules in mind, so should the development of the north

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1 be undertaken by Canadian rather than foreign organiza-
2 tions with their attendant self-interests and object-
3 ives.

4 In summary Mr. Justice Berger,
5 Saskatchewan appreciates the opportunity which you
6 have afforded us to outline some of our views on the
7 proposed massive pipeline project. We submit that the
8 scheduling of the Mackenzie Valley Pipeline, if
9 authorized, would provide additional time for research
10 and preparation if it were carried out in accordance
11 with the timing of Canada's, and not foreign needs, for
12 Mackenzie Delta gas.

13 Saskatchewan submits that the
14 option of public ownership properly designed and
15 implemented could provide certain additional benefits
16 for northern Canada. In the absence of such public
17 ownership, we commend the pipeline proposals advanced
18 by Foothills Pipe Line Limited as the preferable
19 of the competing projects from both a southern and
20 northern Canadian point of view. In general,
21 Saskatchewan submits that a Mackenzie Valley Pipeline
22 oriented to Canadian needs and interests on a Canadian
23 scale and schedule and under Canadian ownership would
24 be preferable to a pipeline whose raison d'etre largely
25 lies in serving the immediate and massive energy
26 requirements of foreign countries.

27 Saskatchewan fully supports
28 the work of your Inquiry and appreciates the open,
29 equitable and comprehensive procedures which you have
30 adopted. We hope that Saskatchewan's views will be of

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some assistance to you in what is clearly an awesome task of extreme importance to not only northern but all Canadians.

Thank you.

THE COMMISSIONER: Perhaps I might make just one comment on your brief. You said that Foothills Pipe Lines, the sponsors of a Maple Leaf project had already demonstrated to some extent their sensitivity to northern needs by virtue of their Northern Training Program and their offer to provide lower cost gas service to communities along the Mackenzie Valley.

All of that is perfectly true, but Arctic Gas shares equally the credit for the Northern Training Program, along with Foothills. Both companies participated in establishing that Northern Training Program, and I just thought in fairness I should make that clear.

Thank you anyway sir, very much.

A Thank you. That was my misunderstanding.

MR. WADDELL: Mr. Black, I wonder if you could leave another copy of that with Miss Hutchinson, our secretary?

(SUBMISSION OF THE DEPARTMENT OF MINERAL RESOURCES,
GOVERNMENT OF SASKATCHEWAN MARKED AS EXHIBIT C-384)

(MUTTERING ASIDE)

MR. WADDELL: Mr. Commissioner, the next brief you'll hear is from Dwight Logan from

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the Regina Committee for World Development and I am told and I hope I have this right, that he will have with him Bill Harding and Tom Burns. So, I'll call Mr. Logan.

DWIGHT LOGAN,
BILL HARDING,
TOM BURNS, sworn;

WITNESS HARDING: Mr.

Commissioner, ~~welcome~~ to Saskatchewan. My name is Bill Harding. I am a director of the Regina Committee, and Dwight Logan and Tom Burns spend their full time on the activities of the organization.

The Regina Committee for World Development with the deepest possible humility would like to dedicate its brief to the memory of Nelson Small Legs. His tragic death dramatizes the deep frustration of our native sisters and brothers and the terrible urgency of the problems being considered by your Inquiry.

We, in the Regina Committee for World Development are concerned about the people of the Third World. As one of the many concerned voluntary agencies in Canada, we are working to bring about a new international economic order, studying national and international affairs and trying to help educate the public about basic development issues.

We are becoming more aware each day of the ways in which policies of the wealthy nations are hurting underdeveloped countries and preventing them from improving their own situation. We know that no real development can take place when

Logan, Harding, Burns

1 certain principles established in the United Nations
2 Declaration on a New International Economic Order are
3 flagrantly violated, especially those pertaining to
4 peoples' control and responsible use of resources.

5 Now, we have appended a
6 copy of the Declaration on the New International
7 Economic Order and referenced in our brief the
8 relevant paragraphs.

9 It's not surprising in view
10 of the Canadian Government's policies towards under-
11 developed countries, that Ottawa has intentions of
12 cooperating in the development of oil and gas reserves
13 and laying of pipelines in the north. According to
14 native people in the north, these intended policies
15 will disrupt their way of life and prevent them from
16 improving their own situation. As a result, these
17 policies will create a dependent rather than a self-
18 reliant people. If our efforts to persuade the
19 government to change their trade and aid policies
20 with the underdeveloped countries are to have any moral
21 forces, it goes without saying they must also be
22 concerned with changing the government's intentions
23 and actions towards the Dene and Inuit of the north
24 at the same time.

25 We believe that fair play
26 must be the basis for policy in the Mackenzie Valley
27 as well as in the rest of Canada and overseas. The
28 writing is on the wall that people must be considered
29 more important than economic development and economic
30 gain. We stand in solidarity with the people of the

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1 world who are uniting to fight for justice and fair
2 play.

3 We who are speaking are
4 aware that we ourselves are living off the fat of the
5 land at the expense of our neighbors on reserves in the
6 north, overseas. Our involvement in world development
7 makes us conscious of our position and makes us
8 realize the absolute necessity of rejecting many of
9 the luxuries that have been sold to us as needs, such
10 as high energy and resource consumption in cars, large
11 single family houses, junk foods, packaging. To put
12 it in a nutshell, we must reject our wasteful consumer
13 society. We are ready to accept this because we
14 realize that this is the price to pay for what we are
15 asking and we are asking for:

16 1. First, any development in the Mackenzie River area
17 to be determined by northerners and not by investment
18 decisions made in southern Canada or by transnational
19 corporations.

20 2. We are asking for fair play for the native
21 populations, both Dene and Inuit who form a majority
22 in the Northwest Territories.

23 3. We are asking for justice and good stewardship
24 to govern our use of resources.

25 Mr. Commissioner, please
26 convey our concerns and our deep feelings on this
27 matter to the people of the north, to Prime Minister
28 Trudeau, to the Minister of Indian Affairs and Northern
29 Development and to the Canadian Cabinet.

30 Thank you for being our

Logan, Harding, Burns
R. H. Allan

ambassador and giving us a chance to express ourselves
on a vital matter concerning the future of our country.

(SUBMISSION OF THE REGINA COMMITTEE FOR WORLD
DEVELOPMENT MARKED AS EXHIBIT C-385)

(WITNESSES ASIDE)

MR. WADDELL: Mr. Commissioner,
the next brief is from the Regina Chamber of Commerce
to be presented by their president, Mr. R. H. Allan.
Mr. Allan?

R.H. ALLAN, sworn;

THE WITNESS: Mr. Commissioner,
the Regina Chamber of Commerce, founded in 1886 is
a voluntary business organization representing over
1,200 members in Regina. The Regina Chamber of
Commerce was organized for the purpose of advancing
the commercial, industrial, civic and general interests
of Regina, and the adjacent agricultural community.

While the Regina Chamber
of Commerce is concerned primarily with issues
involving with issues involving Regina and its environs,
the Chamber also adopts the broader view where national
problems are raised, and for this reason, the Chamber
appreciates this opportunity to comment on the issues
involved in your Inquiry.

With the rapid depletion of
Canada's nonrenewable energy resources, it is obvious
to us that energy discoveries in our north should be
made available to Canadian industry and other consumers
legitimately requiring such energy, regardless of the
location within Canada of such industries and consumers.

R. H. Allan

The impact of the depletion of energy resources to an economy which has been developed on the abundance of fossil fuels is so traumatic that it is not necessary to elaborate. However, this impact on the economy of Canada's frontier is difficult to measure. It may well be the development of energy resources in our Arctic might present to some a temporary illusion of great and permanent prosperity, but this illusion could well convert to long-term liability such as is becoming a reality in the southern regions of our nation.

The Regina Chamber of Commerce is cognizant of the legitimate claims of native people and we concur in the implementation of all safeguards reasonably required to protect the rights of the native people and the maintenance of the cultural integrity of the native community. We view this as the most sensitive area.

The Regina Chamber of Commerce suggests that the maintenance of the pipeline system could well develop into being a native responsibility so that they will obtain the direct benefit from the pipeline. A pipeline capable of carrying both Canadian and Alaskan gas would have obvious economic advantages to both countries. The Regina Chamber of Commerce feels that every effort should be made to encourage this approach of shared costs and responsibilities. However, we feel that in terms of sale of Canadian gas to U.S. customers, American requirements for our gas may well be sharply reduced with the

R. H. Allan

availability of their own supplies.

Our paramount concern is that the immense investment required of Canadians at this time should result in supplies which must be retained for Canadian consumers for as long as possible. We must not leave our children the legacy of a large debt load and empty pipes. The immense cost of this pipeline should serve as a warning that Canada must begin to invest substantial amounts in order to develop and harness other energy sources such as solar, nuclear, magnetic and the wind.

Although this item falls outside the scope of this Inquiry, the Regina Chamber suggests the Canadian Government either accept the responsibility of funding such research or allow energy producers tax benefits and other incentives so that they will conduct the research. We in Saskatchewan reside in summers requiring artificial cooling and in winters requiring substantial heating. We know therefore that there can be no delay in the construction of the pipeline if we in this region are to remain viable from an environmental standpoint.

As well, our agriculture industry depends greatly on the by-products of our energy resources. The Regina Chamber urges that the construction of the Mackenzie Valley Pipeline be commenced as quickly as possible, as this, in our opinion, is the over-riding concern in the welfare of Canada. At the same time, we urge that the Government of Canada negotiate an equitable agreement with the

R. H. Allan
N. Starblanket

1 native people so that their lifestyle will be preserved
2 with the minimum of disruption.

3 We recognize that the
4 construction of the pipeline may well adversely affect
5 our city of Regina. The manpower required for the
6 project could further increase the shortages already
7 experienced in the Saskatchewan market, for manpower
8 lost to other regions is very difficult to replace. It
9 may be true that there are still production facility
10 and the pipe mill will experience a boom but the
11 net result of the pipeline may be detrimental to
12 Regina's economy and to our lifestyle. We are however,
13 prepared to accept this because of our belief that
14 the continuation of the availability of a reliable
15 Canadian energy source offsets the short-term shortage
16 of available manpower, and the shortage of capital for
17 other investments, which will be created by the funding
18 of this project.

19 We thank you for the opportunity
20 of appearing before you Mr. Commissioner.

21 THE COMMISSIONER: Thank you
22 very much sir. Thank you.

23 (SUBMISSION OF THE REGINA CHAMBER OF COMMERCE
24 MARKED AS EXHIBIT C-386)

25 (WITNESS ASIDE)

26 MR. WADDELL: Mr. Commissioner,
27 the next brief is from the Federation of the
28 Saskatchewan Indians to be presented by a Mr. Noel
29 Starblanket.

30 NOEL STARBLANKET, sworn;

N. Starblanket

1 THE WITNESS: Mr. Justice
2 Berger, the Federation of Saskatchewan Indians,
3 representative of 43,000 Indian people in this
4 province welcomes indeed this opportunity to give
5 evidence to the Inquiry and to the proposed Mackenzie
6 Valley Gas Pipeline.

7 I shall address myself
8 only to the claims of the Indian people in the land
9 of the Northwest Territories. I shall begin by
10 saying that approximately 100 years ago, the Indians
11 of Canada signed treaties with the government through
12 the Queen's Commissioners. Through these treaties,
13 the concept of Indian title to this great land that
14 we know as Canada was born to the common law and the
15 laws of this country.

16 Today, 100 or so years later,
17 I appear again, a descendant of my forefathers before
18 another of the Queen's Commissioners, only this time
19 to ask for support for my brothers in the north.
20 It is ironic that 100 years later we must ask the
21 Federal Government for recognition of Indian title.
22 100 years ago, Indians were given lands that were least
23 attractive. Today, Canada discovers that its resources
24 are fast depleting and government is attempting to
25 explore in areas where Indian title has not yet been
26 recognized.

27 Canada in some semblance
28 decided to settle with Indians 100 years ago and in
29 so doing, bestowed upon herself some semblance of honor.
30 Are we to believe that in 1976 she will divest herself

N. Starblanket

of her remaining honor by allowing multinational corporations to rape and pillage the north and its residents?

The Federation of Saskatchewan Indians supports the Indian Brotherhood of the Northwest Territories in their position, which demands that no decision be made on whether to construct a Mackenzie Valley Gas Pipeline until and only until Indian people have negotiated a satisfactory land settlement with the Federal Government of Canada.

In so doing, the Federation of Saskatchewan Indians asks the Federal Government and the people of Canada to respect that law which requires the Federal Government to protect aboriginal lands from white encroachment. We submit that our British common law heritage recognizes aboriginal title of land, and that that law dictates that neither administrative officials of the government nor private persons may lawfully use or allow for the use of aboriginal lands until the land is properly ceded by treaty. In so doing, the Federation of Saskatchewan Indians asks the people of Canada to honor their commitment to protect the traditional lifestyle of the Indian people of the Northwest Territories.

The Indian and Inuit peoples of the Northwest Territories are the lawful occupants of their lands, with a legal as well as an equitable claim to retain possession of it and to use it according to their own discretion. The Federation of Saskatchewan Indians asks of Mr. Justice Thomas Berger that he recommend to the Federal Government

1 that aboriginal lands be protected against any attempted
2 encroachment of administrative officials or industrial
3 or commercial interests.

4 Thank you very much.

5 (SUBMISSION OF THE FEDERATION OF SASKATCHEWAN
6 INDIANS MARKED AS EXHIBIT C-387)

7 (WITNESS ASIDE)

8 MR. WADDELL: Mr. Commissioner,

9 I wanted to note that on that the OXFAM brief, the
10 third brief given by Monica Schubert, there was a
11 petition with 32 signatures on it. I want to note
12 that.

13 I would call next Mr. Joe
14 Gunn and Mr. John Pilling^{who} are with the Social Action
15 Desk of the Catholic Archdiocese of Regina.

16 JOE GUNN,
17 JOHN PILLING, sworn;

18 WITNESS PILLING: Mr.

19 Commissioner this brief was reserved by the Archdiocese
20 of Regina for an ecumenical group and we represent the
21 Anglican, the Presbyterian, the Roman Catholic and
22 the United Church in the Province of Saskatchewan and
23 we have the signatories of their signing officers of
24 the various dioceses, presbyteries and conferences of
25 the United Church Conference here in this brief.

26 Mr. Gunn will speak secondly.
27 My name is Archdeacon Pilling of the Anglican church.
28 Sorry.

29 This representation has been
30 purposely kept short. It can be expanded upon request.

Pilling & Gunn

1 It's purpose is threefold:

2 1. Firstly to express our concern for the well-being
3 of the indigenous people of the Mackenzie in the
4 presence of encroaching development.

5 2. Secondly, to demonstrate our support for the land
6 claims of the indigenous people of the Mackenzie River
7 area.

8 3. Thirdly, to indicate our unity with representations
9 made to this Commission and to various levels of
10 governments in other areas of this country by the
11 churches we represent.

12 We are aware of the terms
13 of reference of your Commission.

14 1. With respect to the first, in Regina and other
15 Saskatchewan cities a growing proportion of the
16 population is of Indian or Metis ancestry. In the
17 churches, we are familiar both with the type of life-
18 style and relationships which these people were
19 accustomed to in the communities they left, as well as
20 with the tremendous adjustment all of us must make
21 as they come to live amongst us. While all of us
22 encounter the sinful and dehumanizing effects of this
23 adjustment in increased prejudice, promiscuity and
24 other ills, we also are aware of a struggle to live
25 together in hope, harmony and justice.

26 Our concern is that the
27 adjustment required by native peoples coming into an
28 industrial milieu is imposed upon a community from the
29 outside. We insist therefore that, the point being made
30 there, is that the adjustment being made in the Mackenzie

Pilling & Gunn

1 will be exactly the same as the adjustment made here,
2 even though people came here, and it's going to be
3 imposed from the outside there. We insist therefore
4 that further development in the Mackenzie only take
5 place under the control and influence of the indigenous
6 people.

7 2. The second point; we have read the Dene Declaration
8 and the Nunavut of the Inuit and the appeals of the
9 people of the Mackenzie that the issue of land claims
10 be settled, and settled prior to any further development,
11 and we wish to support them in this. Surely the
12 Government of Canada and any larger developer will be
13 able to work more effectively with an owner who aspires
14 to benefit from development, than with a surly tenant.
15 Furthermore, it is probably that a refusal to settle
16 land claims would lead to embarrassing and unnecessary
17 civil disorder in the Mackenzie area.

18 We, of Saskatchewan, would not
19 wish a repeat of the events of the rebellions that
20 involved similar issues and which took place on the
21 prairies a century ago. Therefore, we strongly support
22 the demands of the indigenous people of the Mackenzie,
23 that their land claims be settled and that they be
24 settled prior to further development.

25 3. Thirdly, finally, we wish to reiterate the
26 representations that have been made to the various
27 governments in Canada by our representative churches
28 and to place these before you. We include the motions
29 of the General Synod of the Anglican Church of Canada,
30 the Labor Day Message of the Bishops of the Roman

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Catholic Church of Canada and the statements of the
General Council of the United Church of Canada.

Furthermore, this brief has
had wide circulation and the affidavit which follows
has been signed by officers of the dioceses,
conferences, presbyteries, parishes and charges and
congregations all over this province of Saskatchewan
and the affidavit is:

This brief, including the
appended documents, have been read by me and while
it is not possible for me to investigate the entire
matter personally, I consider the study of this
brief to be the best investigation I am able to make.
I state therefore, that I am content to rely on it and
I adopt it as my own.

Thank you very much.

THE COMMISSIONER: Thank you.

WITNESS GUNN: Mr. Commissioner
ladies and gentlemen, my name is Joe Gunn and I am
representing the Social Action Department of the
Roman Catholic Archdiocese of Regina.

If I could start off first
with a quote from the Bishop's Labor Day Message:

"The Canadian north is fast becoming a center stage
in a continental struggle to gain control of new
energy sources. The critical issue is how these
northern energy resources are to be developed
by whom and for whom."

In two documents, namely,
"Northern Development: At What Cost" and "Just"

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1 Demands Action ", the Roman Catholic Church in Canada
2 has made its position absolutely clear on the issue
3 of development north of the 60th parallel. In Regina,
4 the Social Action Department has not only fully
5 supported these documents but more importantly is
6 working to ensure their broad distribution, discussion
7 and affirmation by all members of the church. In effect,
8 we have written this working paper to explain how we
9 are using the two documents above to educate Canadians
10 to the real issues in the development of the north
11 in general and specifically the Mackenzie Valley
12 Pipeline question at this particular historical
13 moment. Truly, Judge Berger was correct in noting that

14 "...this Inquiry is not just about a pipeline.

15 It relates to the whole future of the north."

16 To be effective pedagogically,
17 we find we must question some basic concepts involved;
18 concepts like progress, development, national interest,
19 and justice, for example. It is also necessary to
20 determine how the interest groups who wield the power of
21 definition of these concepts in our society are using
22 that privilege. We think it will be clear as we
23 continue Mr. Berger that we have to redefine these
24 concepts in order to explain the position of our
25 church in support of the Dene and Inuit people.

26 There seem to be two crucial
27 questions involved in this discussion which we will
28 attempt to address in the context we have just presented.
29 1. Firstly, is the Mackenzie Valley Pipeline necessary
30 at this time? The five major Christian churches in

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1 Canada have asked Cabinet to declare a moratorium on
2 major resource developments in the Northwest Territories.
3 We should take some time here to examine their
4 arguments for taking this position.

5 1. Firstly, the immediate and conclusive need for
6 a pipeline to bring frontier gas supplies to markets
7 in southern Canada and the United States has not yet
8 been established. It is extremely difficult to project
9 demand forecasts for energy, as one can see in the
10 divergence of conclusions presented to the National
11 Energy Board.

12 2. Canadian Arctic Gas Pipeline Limited, the
13 consortium of 27 companies applying to build the multi-
14 billion dollar pipeline reports that Canada will have
15 shortages of natural gas by 1980.

16 3. Yet other studies suggest that southern Canada
17 has enough gas to meet domestic and export commitments
18 until 1989.

19 4. In 1971, the Minister of Energy, Mines and Resources
20 told Canadians that we have 392 years of gas supply
21 left. With this wide variance, it has become next
22 to impossible for intelligent public participation
23 in resource planning. Surely the government could
24 provide more adequate estimations in order to encourage
25 and not deflate the important component of citizen
26 participation.

27 While we have attempted to
28 analyze the projected natural gas needs for Canada
29 and Saskatchewan, we note with interest, the position
30 of our Provincial Government before the National Energy

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1 Board last November and we heard Mr. Black this
2 evening, the person who made this presentation.

3 "Saskatchewan submits that the Canadian market
4 east of Alberta, the only portion of the total
5 Canadian market forecast by the National Energy
6 Board to be deficient before 1985, might not
7 require access to frontier supplies until several
8 years after the Mackenzie Valley Pipeline inservice
9 date proposed by the applicants, that is, 1979.

10 Saskatchewan respectfully submits, therefore,
11 that it would not necessarily be in Canada's
12 interest to proceed with the construction of a
13 Mackenzie Valley Gas Pipeline as early as proposed
14 by the applicants."

15 This shows, Mr. Commission that
16 there are voices in the south as well as the north
17 suggesting that the pipeline does not have to be
18 completed in such an all fired hurry. We have the time
19 as you have said,

20 "To do this thing right".

21 We must also call into question
22 the Canadian Government policy of exporting to the
23 United States of America 40 percent of our annual
24 natural gas production. Certainly if we exported less
25 energy, we could have a longer period of time to
26 conclusively deal with these crucial issues in a more
27 rational way. Also, we believe there is a fundamental
28 difference between sharing our energy with those who
29 need it and selling it to the largest energy consuming
30 country in the world. Here is a situation where this

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1 definition of national interest in terms of acting as
2 a resource supplier for the richest country in the
3 world must be challenged. If we do have an exportable
4 surplus of natural gas in Canada or energy in Canada,
5 would it not seem to be more in our national interest
6 to share it with the poorest countries of the world?

7 Finally, we must ask whether
8 the Mackenzie Valley Pipeline would have to be con-
9 sidered now at all if Canadians took to heart the
10 Bishop's call to responsible stewardship. In the last
11 25 years they tell^{us} Canada's consumption of fossil
12 fuel and hydro-electric power has increased four times.
13 With only six and a half percent of the world's population,
14 North Americans consume more than 43 percent of the
15 energy used on this planet.

16 The facts here presented
17 lead us to see the need to change many of Canada's
18 basic social priorities in view of the great disparities
19 in wealth and opportunity here^{and} in the rest of the world.
20 This is what the Bishops want us consider when they
21 reflect on justice and stewardship:

22 "In the final analysis, what is required is
23 nothing less than fundamental social change".

24 It is a myth that everyone
25 in the world could also consume this exorbitant amount
26 of energy if they only tried to be like us. Alarminglly,
27 we know that these resources are non-renewable, so we
28 have before us a joint problem, finite supply and
29 exponentially growing demand. The only long-term
30 solution to providing adequate energy for all Canadians

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1 is intelligent, sparing use of renewable types of energy
2 and as yet there is an obvious lack of policy in this
3 area.

4 Those of us presenting the
5 brief tonight do not agree with those who tell us
6 that a Mackenzie Valley Pipeline is necessary at this
7 point in time. Rather, we dedicate ourselves to work
8 for that change that will produce a more equitable and
9 sparing basis for our lives, and we have seen the
10 Bishop's letter encourage many to do the same.

11 The second crucial question
12 in the consideration of the Mackenzie Valley Pipeline
13 is who wants the pipeline? Who will control it and
14 who will benefit from it? On this point, the Bishops
15 make themselves extremely clear. They say:

16 "The maximization of consumption, power and profit
17 has become the operating principle of this
18 society. These are the driving forces behind the
19 present continental struggle to gain control of
20 northern energy resources."

21 Mr. Commissioner, we have to
22 reflect here on the entire rationale of grandiose re-
23 source development schemes. We can only surmise that
24 there will be unequal if not negligible benefits to
25 northerners and southerners alike if this model is
26 followed. The decision between the proposals of
27 Canadian Arctic Gas and Foothills is really a decision
28 between whether Canada will be a raw resource supplier
29 to the United States or whether Canada's north will
30 be a raw resource supplier to Canada's south. OUR

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previous considerations on the necessity of a pipeline concern both of these proposals. It is extremely difficult to estimate the social, economical, cultural and environmental costs of a pipeline whether it carries a price tag of 6 or \$12 billion. Surely the more important issue is whether any pipeline should be built at all.

We cannot support any scheme which siphons off northern resources for the benefit of an external economy, thus preventing future development chosen by northerners. It would seem obvious that projects of this magnitude must serve the public interest and we echo the Bishops' call that:

"... future resource development must be made more accountable to the Canadian public".

and:

"We are especially concerned that the future of the north not be determined by colonial patterns of development, wherein a powerful few end up controlling both the people and the resources."

This is why our church supports the Dene and Inuit position:

"No pipeline before a just land claims settlement".

It has been pointed out that the pipeline proposal represents a colonial philosophy of development, but a land claim for the native people could allow them to build a community model.

Presently, they are forced to consider the totally alien concept of a gas pipeline in a very limited time span, because this is a southern

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1 priority. A land claim would provide the opportunity
2 for them to develop their own powers of definition
3 their own concepts of development, progress and
4 justice in the Canadian partnership. Land claims must
5 be seen as a long-term solution, as an entrenchment
6 rather than a denial of native rights. This relation-
7 ship was expressed magnificently to this very Commission
8 in Fort McPherson when a native spokesman suggested:

9 "We have always tried to treat our guests well.

10 It never occurred to us that our guests would one
11 day claim they owned our whole house, yet that is
12 exactly what is happening."

13 To conclude Mr. Chairman, we
14 have tried to present to you and the people of
15 Saskatchewan our reasons for throwing full support behind
16 the statements of the church leaders, but also we
17 wanted you to know how we have addressed this issue
18 in our discussions with our church membership.

19 I might add that during the
20 Stanley Cup playoffs, Imperial Oil was bombarding
21 Canadians with commercials in programming time costing
22 \$12,000 a minute and all of these commercials focused
23 on the tough, hard, expensive job of supplying energy
24 for us. While we realize that there is no way we can
25 mount an education campaign quite equal to that, you
26 can be assured that we will continue to advocate a
27 different vision of development, progress and national
28 interest to Canadians for we believe:

29 "That the struggle for justice and responsible
30 stewardship in the north today is the voice of the

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1 Lord among us."

2 I thank you.

3 (SUBMISSION OF THE CATHOLIC ARCHDIOCESE OF REGINA
4 MARKED AS EXHIBITS C-388(a) & (b))

5 (WITNESSES ASIDE)

6 MR. WADDELL: Mr. Commissioner,
7 I had been asked by Mr. Allan Richards who I believe
8 is from Saskatoon that they have time to give an
9 additional brief on behalf of the Saskatoon Presbytery
10 of the United Church of Canada, and I have a note that
11 in view of the statement of the Archdiocese of Regina,
12 that he doesn't think it will be necessary to present
13 the separate brief, but he would like to file this
14 brief, and so I'll file it on behalf of the Saskatoon
15 Presbytery of the United Church of Canada.

16 (SUBMISSION OF THE SASKATOON PRESBYTERY OF THE
17 UNITED CHURCH OF CANADA MARKED AS EXHIBIT C-389)

18 MR. WADDELL: Mr. Commissioner,
19 we have some coffee. I would like to hear one more
20 brief before we go for it, and so perhaps we could do
21 that. I'd call upon the brief of the Saskatchewan
22 Federation of Labor, and Pat Gallagher will present that
23 brief on behalf of the Federation.

24 MS. PAT GALLAGHER, sworn;

25 THE COMMISSIONER: Go ahead
26 please.

27 THE WITNESS: The Saskatchewan
28 Federation of Labor represent 51,000 workers in this
29 province. We are pleased to appear before this Inquiry
30 to state our support for a settlement of native

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1 land claims prior to the decision being made on the
2 application to build the Mackenzie Valley Pipeline.

3 The Canadian north has been
4 cited as the major region for potential reserves of
5 oil and gas. Assisted by the Federal Government, the
6 giants of the oil industry, EXON, Shell, Gulf, Mobile
7 and Sinocco and others have led the way through their
8 Canadian subsidiaries in making discoveries and in
9 initiating plans to build several major industrial
10 projects of which the Mackenzie Valley Pipeline is
11 a significant one.

12 It is our contention that
13 settlement of the land claims issue granting aboriginal
14 titles to the northern native peoples is simple human
15 justice. The Canadian Government is on the threshold
16 of a most important decision. They can assist the
17 Dene and Inuit peoples to achieve not only dignity,
18 but economic self-sufficiency and social and cultural
19 survival. The alternative is continued colonial
20 rule at an ever-increasing cost to the Canadian taxpayer,
21 coupled with destruction of a culture and the consign-
22 ment of a proud and independent people to a marginal
23 existence on poor wages and government handouts.

24 The life that persists in the
25 north has been described as everything from 19th
26 century colonialism to feudalism. There is a great
27 deal of truth in both of these descriptions, despite
28 the rhetoric about decolonizing the north and bringing
29 it into the 20th century. The north and northern native
30 people are effectively ruled in this colonial fashion

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1 by a white minority of R.C.M.P., teachers, welfare
2 workers, government officials, the Pay, employers
3 and medical personnel.

4 The people, because of a sum
5 total of oppressive institutions over them, lack any
6 effective democratic control over their lives. The
7 colonialism is not just a matter of lack of consultation
8 or the high-handed manipulations of government bureaucrats
9 but something much more profound. It is built right
10 into the physical lay-out of northern communities.
11 Typically, these communities are segregated along
12 racial grounds, with white enclaves huddled together
13 to make modern amenities such as water and sewage
14 easier and cheaper to supply.

15 I'd like to add at this point
16 that I taught school in northern Manitoba prior to
17 my present position with the Saskatchewan Federation
18 of Labor, and the descriptions that I have read of the
19 situations in the Northwest Territories are extremely
20 similar to northern Saskatchewan and certainly similar
21 to northern Manitoba.

22 Many well intentioned, idealistic
23 welfare people and teachers adopt what has been called
24 a culture of poverty analysis in an attempt to
25 understand the situation they find themselves in. The
26 cultural poverty concept assumes that poor people
27 are poor because something is wrong with them. It
28 assumes that even if decent paying, regular, reasonable
29 and long-term employment were offered to poor people
30 they would refuse to work and prefer to vegetate on

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1 welfare because of some deep perversity in their
2 own culture. The fact that decent regular jobs are
3 virtually unavailable is deliberately ignored by such
4 a theory, that so-called social problems, violence and
5 brutality can all be linked to unemployment is a
6 second major premise necessary to combat the culture
7 of poverty theory.

8
9 Even though decent employment
10 itself does not solve everything, it is the first and
11 irreplaceable step out of the ultra-oppression of
12 poverty and colonialism. A Canadian Arctic Gas study
13 on the Social and Economic Impact of the Proposed
14 Pipeline, predicted problems in trying to incorporate
15 native people into a standard wage economy. The
16 greatest advantage to the native people is purported
17 to be increased opportunities for employment. However,
18 after a two to three year construction period during
19 which skilled labor would probably be imported from
20 the south, it is estimated that only 200 workers would
21 be required for permanent pipeline maintenance.
22 Moreover, most of the jobs will be in a few centralized
23 locations and many native people are not willing to
24 leave their homes for the dubious benefits of this
25 kind of employment.

26 A settlement granting aboriginal
27 title would enable the native peoples to direct the
28 course of resource extraction in a way that would be
29 beneficial to the entire population of the Northwest
30 Territories. Ownership of the land would give them
31 authority to control the rents from

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1 resource development and initiate economic activities
2 relevant to their own needs and priorities.

3 Since the construction of
4 the DEW Line in the 1950's and the development of
5 larger urban centers such as Inuvik, the north and
6 its people have seen many changes, the largest being
7 the emergence of an ethnic based class system.
8 Although some native northerners have benefitted from
9 the encroachments ^{made} by southern money and technology,
10 the vast majority are witness to an enormous contrast
11 in living conditions, opportunity and power between
12 whites and natives with the gap continuing to widen.
13 Up until now, the harsh reality of settlement life
14 characterized by lack of economic opportunity, poverty
15 and powerlessness was confined to places like Inuvik
16 and other settled communities.

17 The land itself remained
18 untouched and was as such a refuge from town life
19 for some, and a source of income for many more. By
20 the mid-sixties , the assault on the land began.
21 Mineral and oil exploration, seismic blasting, bulldozers
22 and helicopters appeared with increasing frequency.
23 The significance of this assault does not appear to
24 be understood by either the oil companies or the
25 vast majority of white southerners. It is in fact,
26 the final straw, the catalyst giving rise to an
27 increasing political consciousness among native
28 northern people.

29 The value of the land to
30 native people cannot be replaced with jobs and

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1 | industry and townlife. Jobs are a resource to the
2 | exploited towards specific ends. The land and its
3 | resources are permanent and a source of security and
4 | well-being. Native people are looking for a better and
5 | more prosperous life, a way which will allow them
6 | to control development and use it as a tool. The
7 | land has become their bargaining power.

8 | It is our understanding that
9 | both the Dene and Inuit land claims are based on
10 | aboriginal title; simply put, property rights of
11 | native people over lands which they have traditionally
12 | used and occupied from time immemorial. In the case
13 | of the Inuit, no treaties were ever signed nor were
14 | they conquered in war. Although treaties were signed
15 | by the Dene people in 1899 and 1921, the validity
16 | of these treaties is questioned. Dene people have
17 | testified the treaties to be only of peace and friend-
18 | ship, not a relinquishment of land.

19 | The INuit are claiming a
20 | substantial portion of land sufficient to guarantee
21 | the integrity of their communities and an economic
22 | base for their future. They want the choice to sustain
23 | their traditional hunting and trapping activities and
24 | to have some measure of control over resource development
25 | through self-governing institutions.

26 | The Dene, in our understanding,
27 | want self-determination, by which they mean the right
28 | to govern themselves through institutions of their
29 | choice. They want as well guaranteed long-term political
30 | security by which they mean the assurance of a land

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1 base sufficient to allow control over future political
2 and economic development in the north.

3 They want economic independence
4 through a resource base that would enable them to
5 develop economic alternatives to fit their needs and
6 desires and free them future dependence on welfare.

7 Finally, they want cultural
8 survival, by which they mean recognition of the Dene
9 as a cultural, distinct people free to determine their
10 own cultural development within the Canadian framework.
11 We quote from James T Wah-Shee who has stated:

12 "We see a land development as the means by which
13 to define the native community of interest in the
14 north, and not to obscure it. This is why we stress
15 in the land settlement model we put forward that
16 formalization of our rights is our essential goal,
17 rather than the extinguishment of those rights.
18 The land settlement model put forward by the Indian
19 people of the north is based on a developmental
20 principle firmly rooted in the expressed needs of
21 a region and distinct people.

22 At this crucial time in
23 Saskatchewan -- in Canadian history, we feel it represents
24 an opportunity for this country to adopt a development
25 policy which will closely approximate regional and
26 national interest, rather than the policies implicit in
27 choices in the past. Support us." The Saskatchewan
28 Federation of Labor strongly supports this point of
29 view.

30 Thank you.

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(SUBMISSION OF THE SASKATCHEWAN FEDERATION OF
LABOR MARKED AS EXHIBIT C-390)

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner,
I should have told you that Pat Gallagher is executive
assistant with the Federation of Labor and she spells
her last name G-a-l-l-a-g-h-e-r. I don't have that on
the list.

Mr. Commissioner, could we
have an adjournment now for coffee? I think we have
coffee outside for as many people as we can.

THE COMMISSIONER: All right.
Before we adjourn, perhaps I might comment on an
observation that was made early in the proceedings
this evening. There was a trace, I think, of cynicism
about --expressed about the government's establishing
this Inquiry.

I think it's worth my repeating
what I have indicated before at these hearings that
the Minister of Indian Affairs and Northern Development,
Mr. Buchanan has said now on many occasions that the
government will not made a decision about the pipeline
and the energy corridor until this Inquiry and the
National Energy Board have reported to the government.
Mr. Macdonald, who is now the Finance Minister but used
to be Minister of Energy and his successor, Mr. Gillespie
have both given that assurance in the House of Commons.

I think you should remember
that the Order-in-Council establishing this
Inquiry, was an Order-in-Council passed by the Government

1 of Canada, and the Order-in-Council confers a mandate
2 on this Inquiry unprecedented in its magnitude, because
3 it says this Inquiry is to examine the social, economic
4 and environmental consequences of a large scale frontier
5 development before and not after, the fact. That is
6 unique in the Canadian experience, and I daresay in the
7 experience of any country that you or I could name.

8 The Government of Canada has
9 provided funds to this Inquiry to enable it to carry
10 out its mandate. The government has provided funds
11 on the recommendation of this Inquiry to native organiza-
12 tions representing the Dene people of the Mackenzie
13 Valley, that is, the Indian and Metis people; the
14 Indian people of the Yukon and the Inuit people of the
15 Mackenzie Delta and the Beaufort Sea communities.

16 Funds have been provided to
17 environmental groups to northern municipalities and to
18 northern business to enable them to participate. All
19 of that money was provided by the Government of Canada.
20 The Government of Canada has given this Inquiry the
21 power of subpoena to get the evidence that it needs.
22 The Inquiry has spent many, many months going into
23 virtually every settlement and village in the Mackenzie
24 Valley, the Mackenzie Delta, the perimeter of the
25 Beaufort Sea and the northern Yukon to listen to the
26 views of the Canadians who live there, of all races,
27 who want to express their view and tell this Inquiry
28 and all of us about their hopes and their fears for the
29 future.

30 The Government of Canada has

1 spent \$15 million over the past five years in studies
2 and reports -- the development of studies and reports
3 on the Mackenzie Valley and the Mackenzie Delta.
4 All of those studies and reports have been made
5 available to this Inquiry. I should say that the
6 industry has spent something like \$50 million on
7 studies and reports relating to the engineering and
8 environmental problems to be encountered in the north.

9 The universities have been
10 studying northern conditions for many years and this
11 Inquiry has spent many, many months bringing the
12 people who have written these reports to the Inquiry's
13 formal hearings at Yellowknife where their views, whether
14 they be on caribou or whales, on permafrost, on
15 frost heave, on the impact of alcohol on native
16 communities -- on a multitude of subjects. These
17 people have all been brought to Yellowknife and there
18 they have been examined and cross-examined so that all
19 of these studies and reports don't sit on the shelves
20 gathering dust, or simply appear from time to time in
21 academic journals, so that the people who have spent
22 their lives studying the north and northern conditions
23 can make their contribution at the Inquiry's hearings
24 to the whole decision making process.

25 All of that has been done
26 with funds provided by and under a mandate conferred
27 by the Government of Canada, and I think that it should
28 be made plain that all of these things have been done,
29 and I think it's fundamental that they should have
30 have done and continue to be done. All of these things

1 have been done with the support and with funds provided
2 by the Government of Canada.

3 So, I'll leave you with that
4 thought and we'll have a cup of coffee and then return
5 in a few minutes to hear the remainder of the briefs.

6 Thank you.

7 (PROCEEDINGS ADJOURNED FOR A FEW MINUTES)
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(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: I think we'll call our hearing to order. Let's take our seats, ladies and gentlemen. All right, Mr. Waddell?

MR. WADDELL: I don't know if you need a pitch fork here, Mr. Commissioner, but I think we'll get started.

The next brief we have on the list, sir, is Mr. Peter Prebble, the Saskatoon Environmental Society. Mr. Prebble?

PETER PREBBLE, sworn:

THE WITNESS: Justice Berger, I am presenting this brief on behalf of the Saskatoon Environmental Society, and I'd like to begin by saying that our Environmental Society thanks you for the opportunity to be able to present our deep concerns on this issue to your Inquiry.

This submission tonight is based on a series of resolutions that were passed at our Annual Meeting on May 5th of this year. The Saskatoon Environmental Society is strongly opposed to the proposal for the development of a gas pipeline and energy corridor in the Mackenzie Valley and Mackenzie Delta. We oppose the project on social, environmental and economic grounds. If it goes ahead it will, in our view, be one of the most unjust and disastrous acts ever to be committed in Canada. It will probably be a very short-sighted business investment, as well.

First of all, we oppose a

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1 pipeline on its environmental implications, and we do
2 so for many reasons:

3 1. We are strongly against the exploitation of
4 petroleum resources in the Beaufort Sea. Biologists
5 have told your Inquiry that offshore drilling carries
6 unknown environmental risks because current biological
7 knowledge of the area is extremely limited. The
8 environmental study that was carried out is apparently
9 very incomplete. Several witnesses have said that
10 the present technology for offshore drilling is
11 extremely inadequate, and that the technology to prop-
12 erly deal with a blowout does not exist. Given
13 drilling accidents that we understand Dome Petroleum
14 has already experienced, and accidents that have taken
15 place in preliminary drilling in the High Arctic, and
16 given the frequent storms in the area as well as much
17 fog and extremely dangerous floating ice, we consider
18 the chances of an oil blowout to be much, much
19 higher than average. If an oil blowout does occur,
20 weather conditions could mean that it will be months
21 before it can be stopped, and it could take years to
22 clean up. One blowout could have catastrophic effects
23 on the highly sensitive environment, and destroy the
24 ability of the Inuit people to live on the natural
25 resources of the land and sea.

26 A natural gas blowout could
27 also have serious environmental effects, especially if
28 it resulted in the destruction of a drill ship, with
29 lubricants, fuel and toxicants on board.

30 COPE has informed us that up to

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1 250 wells or well clusters could be drilled. Clearly
2 in light of what we've said, the risks are idiotic. We
3 strongly agree with Dr. Pimlott's position that it is,

4 "not ... in the national interest to put at
5 risk the natural resource base of native
6 peoples and the Arctic environment in this
7 way and at this time."

8 2. You have often mentioned that we are not just
9 talking about the development of a gas pipeline, but
10 an entire energy corridor, and an oil pipeline will
11 likely follow, and the president of Arctic Gas has said
12 that a second gas pipeline will likely be started
13 within five years of the first. A major highway is
14 being built, and other developments will follow.

15 Yet it seems to us that the
16 main emphasis of research that has been done seems
17 to have been done mostly on the gas pipeline. It has
18 been said by Canadian Arctic Gas Limited that -- and
19 we quote from the summaries of the hearings --

20 "that until the details of an oil pipeline
21 are known, impact predictions cannot be
22 made with any degree of certainty."

23 The point is that the details are not known, although
24 estimates have been presented to the effect that the
25 impact of an oil pipeline will be three to five times
26 as great as that of a gas pipeline, and it's been
27 suggested that the environmental impacts of the highway
28 could be six to ten times as great. Yet any environ-
29 mental studies that were done on the highway, to
30 our knowledge, have not been made public by the govern-

4. Also this is the first pipeline in the world to be built in the permafrost. It seems that there are still many uncertainties of the impact of the buried chilled pipeline on the surface terrain, for instance in terms of heaving problems, in transition zones from permafrost to non-permafrost soils. It's also been said that inadequate testing of the pipeline has been done in terms of the variety of soil types that

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1 the pipeline has to pass through, and in terms of the
2 fact that the testing period has not been long enough
3 yet to really determine whether the pipeline can stand
4 up. We were also concerned that scheduling difficulties
5 regarding removal of equipment before the summer could
6 cause considerable environmental damage.

7 5. Finally, in terms of the environment, we must say
8 that we lack confidence in the attitude of the Federal
9 Government towards the environment, especially as
10 displayed in their activities and lack of concern for
11 environmental considerations prior to the appointment
12 of your Inquiry. These have been documented in
13 "Northern Perspectives," the Canadian Arctic Resources
14 Committee publication.

15 In short, we see this
16 development having major environmental risks for the
17 Mackenzie Delta and Beaufort Sea. We feel that the
18 cumulative effects of energy corridor developments
19 could be most serious, and we are dissatisfied with the
20 obvious inadequacies in research data and in technolo-
21 gical capability.

22 We agree with the assessment
23 of the Canadian Arctic Resources Committee when they
24 say that the north is being experimented with. Our
25 Environmental Society is also strongly opposed to the
26 pipeline project and energy corridor in terms of its
27 social and economic consequences for the north, and
28 again we have many reasons.

29 1. The large majority of native people in the north
30 appear to be opposed to the project. It is clear that

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1 their traditional way of life, including their
2 hunting, fishing and trapping activities, is threaten-
3 ed. The record of white activity in the north is surely
4 bad enough without making things worse, and again
5 ignoring the desires of our fellow Canadians.

6 2. It seems to us that if this pipeline goes ahead,
7 history will inevitably repeat itself. Developments
8 in Inuvik have apparently already resulted in social
9 problems, and we understand that many communities
10 along the Trans-Alaska Highway have been destroyed.

11 3. We feel that this energy corridor is virtually
12 forcing a wage economy on the people of the north.
13 The economic viability of the traditional ways of life
14 are likely to decline. We think this represents a
15 real injustice, and maintain that the right of the
16 native people to live off the land must be guaranteed.

17 4. This is especially important considering the
18 traditional ways for the native people to make a liv-
19 ing, considering that these ways have long-term
20 viability, whereas the pipeline is clearly a short-
21 term project, and we think this is a most important
22 point. The pipeline is only expected to take three
23 years to build, and the companies have admitted that
24 there will be very few permanent jobs after the
25 pipeline is constructed. We heard a figure of 200
26 tonight. We noted that Michael Asch, Professor of
27 Anthropology has been quoted as estimating 150 perman-
28 ent jobs. What will happen when the pipeline is no
29 longer in use and it's abandoned in 20-25 years'time?

30 We are most upset about the

1 failure of the Federal Government to consult with the
2 local people of the north on a great many matters
3 related to this pipeline, and this is another reason
4 of opposition and concern for us. The leasing of the
5 north for exploration purposes has been carried out,
6 to our knowledge, without involving local people, or
7 for that matter without consulting the Canadian public.
8 Nor was there consultation on how or where exploration
9 would take place. Plans for an all-weather highway up
10 the Mackenzie Valley were made and announced without
11 consultation. Similar statements can be made about the
12 Federal Government's decisions to approve in principle
13 the pipeline itself, and to approve in principle
14 drilling operations in the Beaufort Sea.

15 Our position then is that we
16 oppose the exploitation of the native people in the
17 north for the purposes of this relatively short-term
18 resource development and support the principle that
19 development in the north should be in consultation
20 with and where possible, under the control of the
21 local people.

22 Our final point in this
23 of this project
24 regard to the social consequences is on the matter
25 of land claims. Quite simply, the Environmental
26 Society advocates settlement of native land claims
27 in the Mackenzie Valley and Mackenzie Delta area
28 prior to any major resource development taking place
29 in the north.

30 With regard to this specific
31 pipeline and energy corridor development, however, we

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1 must emphasize that even once land claims are settled,
2 we would still be completely against the project.

3 We have a couple of other
4 points we would like to bring before your Inquiry
5 in this submission.

6 First of all, we understand
7 on the basis of a press release which appeared in the
8 "Star Phoenix" on March 30th, that the United States
9 Interior Department has suggested delaying a
10 decision on this whole issue for five years. We think
11 that this is quite a significant recommendation coming
12 from a United States Department of Government, and
13 reflects the ominous implications of this pipeline
14 development.

15 Secondly, we would be
16 grateful for a brief opportunity to react to statements
17 that have been made by the companies and by some at the
18 hearings at our neighboring provinces, namely, that we
19 need these gas reserves in order to avoid an energy
20 crisis. In our opinion, these statements are a lot
21 of foolishness. The known gas reserves of the Macken-
22 zie Delta are at most 7 trillion cubic feet. In terms of
23 Canadian domestic consumption, it would at most be
24 equivalent to our natural gas consumption for five
25 years, and it's going to be extremely high-priced
26 natural gas.

27 There are wide differences of
28 opinion over what the estimated reserves from the delta
29 and Beaufort Sea are, but we see them as just that,
30 they are estimates, with not necessarily a great deal

1 of foundation to all of them. Moreover, our Environmen-
2 tal Society cannot forget that the optimistic estimates
3 come from the same companies who told us recently that
4 their optimistic estimates of Southern Canadian reserves
5 were incorrect, and that we would soon be experiencing
6 shortages. So we question how much faith we can put in
7 the companies. We think there is a good argument to
8 be made for the fact that this project is likely to
9 be economically unfeasible from an overall Canadian
10 point of view.

11 At best, even if reserves
12 turn out to be 20 or even 30 trillion cubic feet,
13 we are talking about a very short-term solution to our
14 energy problem. In addition there are serious questions
15 in regard to how much of the gas from the north, Canadians
16 will actually get to use in light of several indica-
17 tions that present reserves and much of the gas yet
18 to be discovered has already been presold to gas
19 consuming companies in the United States. Now this
20 could be reversed by the National Energy Board, but
21 we see it as posing a real problem.

22 We do not think that we
23 need this gas at all. Southern Canadian reserves are
24 still in the order of 50 to 60 trillion cubic feet,
25 and with a serious conservation on the part --
26 conservation effort on the part of Canadians, and a
27 reversal in rate structures that now favor the large
28 consumer of gas, we think that shortages could be
29 avoided for some time.

30 Moreover, and we feel this

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1 is very important, solar energy is already competitive,
2 with conventional energy resources in the U.S., and
3 would certainly be cheaper in Canada than high-priced
4 northern gas . We see the potential for solar energy
5 technology being very clear, and we would advocate
6 that the Canadian Government put its dollars that it
7 is spending on this pipeline into the development of
8 solar energy which would be a long-term solution to
9 our energy problem, and not a short-term solution as
10 the pipeline is.

11 In this context we see that
12 it makes no sense at all to risk the permanent
13 destruction of the traditional native way of life and
14 severe long-lasting damage to the northern environment
15 for the sake of a short-term supplement to our
16 energy resources. Thus our Society is opposed in the
17 strongest manner to the development of the Mackenzie
18 Valley Pipeline.

19 Thank you.

20
21
22 (WITNESS ASIDE)

23 MR. WADDELL: Mr. Commissioner,
24 I call now on Colin Stewart of a Group of Concerned
25 Citizens in Saskatoon. Mr. Stewart?

26
27 COLIN STEWART, affirmed:

28 THE WITNESS: Mr. Commissioner,
29 on behalf of the 25 people who have signed this submis-
30 sion, I'd like to thank you for the opportunity to speak.

C. Stewart

1 here tonight.

2 We support in principle the
3 Dene Declaration. Historically, in all of the Americas
4 including Canada, a pattern of aggressive colonial
5 exploitation has driven indigenous peoples from their
6 traditional lands and placed them at the mercy of an
7 alien culture and brutalizing technology. The evidence
8 for this is clear from historical record, and it is
9 only in an historical context that the present situation
10 in the Northwest Territories makes sense. Colonial
11 exploitation is part of a continuing pattern in the
12 north, and the Dene Declaration is one of the first
13 overt signs of resistance we in the southern part of the
14 country have seen. The present Government of the North-
15 west Territories is a colonial government, and in this
16 sense as the Minister of Indian Affairs & Northern
17 Development recently stated, the people of the north
18 do have a government; but he neglected to say that
19 it is not a government of the people.

20 Colonial governments, however
21 benevolent in appearance, have always been abettors
22 in the process of commercial exploitation and
23 exploitation will continue in the north until a
24 government suitable to the people is constituted.
25 Accordingly, we urge this Inquiry to recommend to the
26 Government of Canada that:

27 Negotiations begin immediately with the Dene
28 people to determine the best means of establishing
29 self-determination among the Dene people, with
30 transfer of power to be achieved in one to two

C. Stewart

years.

2. We support the principle that no further development should take place in the north until all land claims are settled with the Dene and Inuit people. Concurrent with negotiations, and as part of them, this principle would have to be accepted. Settlement of land claims would not be an act of generosity on the part of the Canadian people and government, but rather a large step toward justice, towards righting historical wrongs. Assuming for the moment government support of the principles of self-determination and of settlement of land claims, we accept the consequences of this. Notably a delay or even a long-term postponement of development in the north in regards to extraction of fossil fuels. The implications of this are many, but they affect directly the relationship that currently exists between the government and the major oil producers, and in the long run they affect our lifestyle. It is a matter of record that the Canadian Government has accepted false figures for known reserves of natural gas, and these figures have come from the large trans-national companies which are now in the north. Historically the Canadian Government has succumbed to pressure for "development", from the companies to satisfy the United States market and as a consequence now finds itself unable to assure future energy supplies on a self-sufficiency basis. The solution now being pressed upon us and the native peoples is more development.

In reality, by opposing rapid

C. Stewart

1 exploitation of the transnationals the native people
2 are compelling us in the south into a very necessary
3 and overdue review of our relationship to American and
4 to some extent Canadian capital. In this they are
5 doing a service to all Southern Canadians who wish to
6 retain control of their own economy.

7 In the interests of making a
8 profit, we are being asked to extract resources from
9 the north which have only a limited lifetime. At some
10 point these, too, will run out and we will be faced
11 with the question of altering our lifestyle drastically.
12 We see no need to postpone the inevitable, especially
13 at the high human cost to the people of the north. On
14 the contrary, we would urge the government to introduce
15 necessary measures of ^{an}energy conserving nature that
16 are more than cosmetic. This may mean rationing of
17 fuel; it may mean some rather severe dislocations in
18 our economy. But it's much easier for we in the south
19 to bear this than it is for the northern people to
20 "adjust" to rapid development. Much higher priority
21 should be given to research and to alternative renewable
22 energy resources which have, in comparison to the
23 money allocated to northern development, received a
24 mere pittance.

25 Finally, at a deeper level,
26 the native people are saying to us that there is some-
27 thing wrong with a culture -- our culture -- which
28 views land and resources as a commodity to be bought,
29 sold, and owned by individuals either personally or as
30 a corporation. We who have signed this petition have

C. Stewart

1 seen some of the human costs involved in such a view,
2 and are open to the somewhat painful changes that will
3 have to be made in altering our cultural view of the
4 land. This is a particularly important point in
5 Saskatchewan where the economy is agricultural and
6 based on private ownership of the land.

7 If I may, as a personal note
8 before I close, I've worked for some months in the
9 past as a laborer on pipeline construction and as a
10 prospector-blaster in Northern Saskatchewan on large
11 diameter pipe construction, and I think the mentality
12 on the part of management which is conveyed and
13 carried out by the laborers and by the workers on the
14 pipeline can best be characterized as a cowboy
15 mentality.

16 "If it's in the way, kill it; if it's in
17 the way, blast a hole through it, but let's
18 get the job done."

19 With that I cannot agree, and for that reason I remain
20 profoundly skeptical of pipeline proposals in the north.

21 Thank you.

22 (SUBMISSION OF GROUP OF CONCERNED CITIZENS IN
23 SASKATOON - C. STEWART - MARKED EXHIBIT C-391)

24 (WITNESS ASIDE)

25 MR. WADDELL: Judge Berger,
26 I have an additional brief from Mr. Al Taylor of
27 Regina, who asked that I file it for him, and I'd like
28 to do that.

29 (SUBMISSION BY A. TAYLOR MARKED EXHIBIT C-392)

30 MR. WADDELL: I'd call upon now

E.A. Maginnes

1 Professor E.A. Maginnes, who is with the Department
2 of Horticultural Science at the University of Saskat-
3 chewan, and I believe in his brief, sir, he's going
4 to show some slides to illustrate his brief, and
5 perhaps we can give up our chairs so that he can --

6 THE COMMISSIONER: Certainly
7 we can see them.

8
9 E.A. MAGINNES, sworn:

10 THE WITNESS: Mr. Commissioner,
11 my name is Ed Maginnes, and I have with me George
12 Green also from the university. The brief that we
13 are going to present represents some work that is
14 based on the findings of a research team in the area
15 of waste heat and greenhouse production at the
16 University of Saskatchewan. It is not our aim to
17 report on the ecological and sociological advantages
18 or disadvantages of the pipeline, but to give you some
19 idea of a waste product that could be used to ad-
20 vantage should the pipeline be built. That is the
21 waste energy from the exhaust gases of the compressor
22 stations that would be used to propel the gas along
23 the pipeline.

24 THE COMMISSIONER: Excuse me,
25 sir, this is a proposal that has been mooted before
26 at the Inquiry, and I'm anxious, I'm very anxious to
27 hear what you and your colleague have to say about it.
28 Would you mind just telling us for the record your
29 position you hold at the university and your credentials
30 with respect to this matter? Forgive me, but if we

E.A. Maginnes

1 want to pursue it further at our hearings in Yellowknife,
2 then if your experience appears on the record it will
3 simplify things for all of us.

4 A Myself, I'm associate
5 professor, Horticulture in the College of Agriculture
6 at the University of Saskatchewan, and George is
7 professor of Mechanical Engineering in the College
8 of Engineering.

9 Q Thank you.

10 A The energy that's released
11 from the compressor station is one that has given us
12 impulse here in Saskatchewan, primarily because green-
13 house production on a year-around basis is influenced
14 by the cost of the energy to heat it, and our group
15 has looked at various sources of waste heat and there
16 are basically two main types. There's the type that
17 you must use a heat exchanger in order to get it into
18 a useful form; and the other possibility of a heat
19 source that could be used directly without the more
20 expensive system of adapting it for use.

21 In our work, after some
22 consideration, we have chosen to work initially with
23 the exhaust gases from gas turbines in order to see how
24 they will adapt them selves for the growth of plants
25 under our conditions. At this point I'd like to show
26 you some slides in relation to our project in Saskatoon.

27 Our project is located on
28 land that we've been given the use of by the Saskatchewan
29 Power Corporation just east of Saskatoon. at this
30 station we have made very little modification in order

E.A. Maginnes

1 to make this process useful. You can see on the left-
2 hand side of the slide a vertical stack, and into this
3 has been welded a horizontal stack that goes out, down
4 the side of the building.

5 Now the gases that we receive
6 from this stack are in the neighborhood of about 800
7 degrees Fahrenheit; we take these across this pipe and
8 I show this as an early stage of development which is
9 the plenum or mixing chamber from which in the final
10 stages is used to distribute the heat to the greenhouse.
11 That's just a picture of the greenhouse in the early
12 stages of production. It is a fairly cheap, economical
13 unit to construct at present-day costs.

14 In one section -- there's
15 three sections to our greenhouse -- in one of them
16 is a conventional system for which we pay for the
17 heat. In the other two sections we get our source
18 of heat, and I must say also of carbon dioxide,
19 which is another waste product in exhaust gases, which
20 is good for plant growth, we get these both together
21 from this turbine and from the mixing chamber up into
22 the distribution ducts and out to the various compart-
23 ments.

24 The overall benefit from the
25 carbon dioxide that we receive here cannot be under-
26 estimated for more northerly conditions. Our indications
27 are that the carbon dioxide will help offset the low
28 light conditions, the low light short days of winter,
29 and at this point we have no artificial light in the
30 greenhouse, at Saskatoon, but have grown plants essentially

E.A. Maginnes

1 through the wintertime under normal light conditions.

2 O.K., here's a picture of our
3 house under winter conditions. It has stood the weather
4 conditions quite nicely. When we started to use the
5 exhaust gases, essentially directly we ran into a major
6 problem that I'd like to make you aware of, in
7 that there are nitrogen oxides in the exhaust gases that
8 will burn the plants. This is not to illustrate plant
9 growth under dark days of winter, but rather the
10 burnt leaves that result if you do not incorporate a
11 filter in the system.

12 After we developed the proper
13 filter we were able to go ahead and produce plants
14 quite acceptably, and you note that we are growing here
15 in ordinary kitchen waste plastic bags full of sawdust,
16 which are supplemented with nutrients on a regular ba-
17 sis; but these plants grew quite satisfactorily. You
18 can see they grew up to the 8-foot bar, which is that
19 horizontal bar at the top of the benches, I put a
20 picture of George in here to show you that we're not
21 fooling around with angle shots, to give you some sort
22 of a fallacy of the kind of growth. I might point out
23 that the carbon dioxide gave us a bit of a jack-in-the-
24 beanstalk story in that we experienced growth rates of
25 up to an inch and a half a day, where we were in the
26 waste heat sections, where we were getting less than
27 half an inch or so in the check section.

28 The waste heat sections
29 produced more fruit and our indications are at this
30 point, based on research in Michigan State, that fruit

E.A. Maginnes

1 from CO₂ enriched environments have a higher Vitamin C
2 content; but we have not tried to verify this under our
3 conditions.

4 Now these fruit ripened quite
5 nicely. I put this in just to sum up what we were
6 growing on raised beds, each plant watered individually
7 in sawdust, clusters of ripe fruit, and they produced
8 very high-quality produce that have been part of a
9 marketing experiment in Saskatoon, and we have been
10 able to get a price differential, a favorable price
11 differential over the Florida imports on the left.

12 We have not -- our 1/16th
13 of an acre structure will not allow us to saturate
14 the market to know their full potential, but we do
15 have preference. The people are buying ours at least
16 two to one over the imports.

17 We have experimented primarily
18 with tomatoes at this point, but this last slide that
19 we have shows a series of lettuce plants that have
20 given us extremely good results. The ones on the right
21 have been treated with 4,000 parts per million carbon
22 dioxide; the ones on the left are the carbon dioxide
23 from our check house^{at}/about 600 parts per million. The
24 lettuce on the right-hand side of the right flat gave
25 us approaching a 300% increase in yield over the
26 corresponding check one. The lettuce on the left-hand
27 side of that right-hand flat gave us something like
28 175% increase in yield over the check treatment. So that
29 we do have at this point experience with two crops
30 that have responded quite favorably to our waste heat

E.A. Maginnes
G.H. Green

system.

I'd like to finish the slides here now and turn it over to George Green to make some conclusionary comments.

(WITNESS ASIDE)

GEORGE H. GREEN, sworn:

THE WITNESS:

The idea that we have presented here must be thought of as being allowed to expand throughout the rest of the world. In our northern climes, our problems of vegetable and food production in general is inhibited by the cold climate. Here we have a scheme that can be used in Russia, Norway, Sweden, all the northern climates, and is one basically of conservation. I think in the summing up, this is what I would like to mention to you.

Conservation will be one of the essential factors in minimizing any damage, close to now, or in the far-distant future of all our useful resources. In these gas compressor stations the gas that is wasted is high-quality, that is it's of high temperature and very clean. In Saskatchewan at the present time there are 300,000 horsepower. This is enough to heat the City of Saskatoon throughout the entire winter. It's thrown away into the atmosphere.

These stations which are

G.H. Green

1 remotely situated are suitable for the production of
2 vegetables, and we think this could be extended into
3 the north and to all northern climes.

4 We think that this also, in
5 addition, this will arouse interest in the north and
6 improve local employment and social conditions. This
7 report is not meant to be complete, and thus we would
8 be pleased to discuss the potential of our research in
9 more detail with the members of the Inquiry Appraisal
10 Team.

11 I must say that this is one
12 case where the proof of the pudding is in the eating,
13 and I'd like to present the Commissioner with one of
14 our products. It may be used for eating; it may be
15 used as throwing at counsel who misbehave, but not
16 to be considered a bribery.

17 THE COMMISSIONER: I don't think
18 I should take a bite out of this in the sight of all
19 of you because I think it has to be marked as an
20 exhibit,

21 (LAUGHTER)

22 and then sent along with my report to the Prime Minister

23 I want to thank both you, Dr.
24 Maginnes , and your colleague, for this most interesting
25 presentation. I think that I can assure you that the
26 Inquiry Appraisal Team, which I might add for the
27 benefit of those present, is a group of public servants
28 seconded to the Inquiry by the Government of Canada,
29 and these public servants are from the Department of
30 Indian Affairs & Northern Development, the Department

G.H. Green

1 of the Environment, the Department of En ergy, and the
2 Governments of the Northwest Territories and the Yukon.
3 The team consists as well of specialists in various
4 disciplines from the universities and from private
5 industry that are in the employ of the Inquiry.
6 Dr. Fyles, who heads the Inquiry Appraisal Team, and
7 Dr. Morgan, who is another member of the team, visited
8 the Soviet Union in September last year and they said
9 that there, use was being made apparently in a limited
10 way of the excess energy at gas -- at compressor
11 stations, and it's a matter that I can assure you
12 Dr. Fyles will be taking up with both of you, and I
13 think it likely we'll ask both of you to come to
14 Yellowknife to discuss the matter at greater length.

15 Mr. Goudge, Commission counsel,
16 is here -- yes, he's here, I see him -- and he'll be
17 speaking to you before the evening is out, if you
18 wouldn't mind remaining, and I think I can also say that
19 -- I think I will say -- that I would like both of the
20 pipeline companies to consider this and to let me have
21 their views on it in due course because I would like
22 them to let the Inquiry know whether they feel it is
23 a proposal that they would be prepared to support.

24 But we have to give them an
25 opportunity to consider it. So thank you both again.

26 (WITNESS ASIDE)

27 MR. WADDELL: Mr. Commissioner,
28 let us return to our list, and deal with No. 8 on the
29 list, is Mrs. Maisie Shiell, and Mrs. Shiell is from
30 Regina. She has asked me to file her brief with you,

F. Tompkins

1 Mr. Commissioner, and she won't present it personally
2 but she would like her place to be taken on our list
3 tonight with -- by Mr. Frank Tompkins, who is with
4 the Missinnippi Committee located in the Churchill
5 River Basin in Saskatchewan at Sandy Bay. So I would
6 call upon Frank Tompkins, to present the brief of that
7 committee. I file the brief of Maisie Shiell.

8 (SUBMISSION OF MRS. M. SHIELL MARKED EXHIBIT
9 C-393)

10
11 FRANK TOMPKINS, sworn:

12 THE WITNESS: Mr. Commissioner,
13 I'm with the Association of Metis and Non-status Indians
14 of Saskatchewan and we decided that we would not
15 bother presenting a brief at this Inquiry. We felt that
16 the Federal Government is well aware of our feelings,
17 having received numerous reports and submissions from
18 our organization expressing our views on many occasions.

19 We did instead circulate some
20 pamphlets among the people present, and I believe that
21 these pamphlets express our feelings quite adequately,
22 and I think they're quite to the point.

23 I received a phone call today
24 from the residents of Sandy Bay, requesting that I
25 read this submission on their behalf. They expressed
26 regret that they could not be here and the phone call
27 I received was collect, so I guess that speaks for
28 the reason that they can't be present.

29 They did wonder as to how
30 much money was probably being spent on this Inquiry, and

1 you know, they did express more regret that none could
2 have been allotted for people with such great concern,
3 as they could be expressing their concerns here them-
4 selves. - The brief reads:

5 " In Sandy Bay, people are
6 familiar with the process of government enquiries
7 into land usage of lands inhabited by native
8 people. We, along with other people residing
9 along the Churchill River, formed the Missinnippi
10 Committee which was charged with the responsi-
11 bility of ensuring public input into the govern-
12 ment decisions affecting the social and natural
13 environment by damming the Churchill River system.
14 From the beginning our committee was a sham.
15 It was created and funded by the Saskatchewan
16 Government in order to give the appearance of
17 public input into government decision making.
18 Even at its inception the government had ensured
19 its failure. The finances were insufficient
20 to provide anything but a caricature of public
21 input.

22 With travel costs as high
23 as they are in the north, we were faced with
24 decisions of either holding a few small public
25 meetings or carrying out research so that we
26 could have something substantive to say at those
27 meetings. We did not have the financial re-
28 sources to do both. Forced to penny-pinch in
29 our on-going fight for adequate financial
30 resources, we found ourselves with insufficient

F. Tompkins

1 funds to publish our final report. As a result,
2 while our committee existed, it could only give
3 the appearance of meaningful public input into
4 the government decision making process.

5 So now you are conducting
6 a public Inquiry into the impact of a pipeline
7 on the Mackenzie River Valley. Perhaps we
8 should believe that the Federal Government has
9 more honorable intentions than those exhibited
10 by the Provincial Government when it created
11 our committee. But we have reason to be skeptical.

12 Public opinion does not
13 exist in a vacuum. It is created. If this were
14 not so, why then would the oil companies be spend-
15 ing millions of dollars to create the opinion
16 that an energy crisis looms on the horizon for
17 Canadians? Why would they be trying to create
18 the opinion that only by allowing them to make
19 exorbitant profits will they be able to discover
20 the oil necessary to solve the oil crisis? Why
21 would they be trying to create the opinion that
22 a Mackenzie Valley Pipeline is necessary to trans-
23 port oil that will solve this crisis regardless
24 of the costs to the inhabitants of the Mackenzie
25 Valley? They do it in order to create public
26 opinion favorable to the pipeline.

27 But do the Dene people have
28 the resources to counteract this propaganda?
29 Do they have the millions of dollars necessary
30 to take the message to the millions of T.V.

F. Tompkins

1 viewers who watch the Esso hockey commercials?
2 No. They only have their homes and their land.
3 Land that the oil companies would violate in
4 a second if they could get away with it.

5 And what role does your
6 Inquiry play? Does it bring the Dene message
7 to the rest of Canada? You have heard their
8 message. The land is their land and it is
9 not for sale. Do you propagate their
10 position? Do you explain why it is essential
11 to their economic, social and cultural existence
12 to preserve their land? No. You collect the
13 public opinion that has been created by the
14 oil companies. You collect the opinions
15 that say the native peoples' land rights can
16 be violated. By your very existence you allow
17 the Dene peoples' ownership of their land
18 to be called into public question.

19 Does the Canadian Government
20 formulate policy after sending inquiries into
21 Northern Canada to gather public opinion on the
22 rights of ownership of the City of Toronto?
23 That land belongs to Indians. It was stolen from
24 them. Was this theft ever investigated? Were
25 the armed robbers brought to face justice for
26 their crimes? Half of Edmonton is Indian land
27 based on signed treaties with the Government
28 of Canada. Is there a public inquiry into its
29 present occupancy and usage?

30 The Dene people closed the

F. Tompkins

doors to public Inquiry with their Declaration:

'The land is not for sale.'

We support their unalienable rights to their own land."

Thank you.

(SUBMISSION OF PEOPLE OF SANDY BAY, SASKATCHEWAN
- F. TOMPKINS - MARKED EXHIBIT C-394)

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner,

THE COMMISSIONER: Excuse me,

I might just make one comment on Mr. Tompkins' brief.

The question was asked, "How much is the Inquiry costing?"

The Inquiry has provided to the public a detailed account of the cost of the Inquiry so far, the expenditures that have been made, because of course the money comes from the Treasury of Canada and the public is entitled to know where the money has gone. There is a detailed statement that Miss Crosby, who is the Inquiry's information officer, can make available to any of you who are interested in it.

Mr. Tompkins also, speaking on behalf of those who had prepared the brief, suggested that money was not being made available by the Inquiry to people who didn't live in these major centres of Southern Canada, but who wish to come here and speak to the Inquiry. Well, that's true. In Northern Canada where we are -- in Northern Canada we are taking the Inquiry to each and every community. We

1 have already been to virtually all of the communities
2 in Northern Canada likely to be affected by the
3 pipeline and the corridor, so that we have taken the
4 Inquiry to the homes of the people who live up there
5 and so it has not been necessary in the north to pro-
6 vide funds for people to come to Yellowknife to testify,
7 because that is people who live in the north, because
8 we've been to their own communities to allow them to
9 give evidence in their own language and in their own
10 way, and in surroundings that are congenial and
11 familiar to them.

12 We felt that in coming to
13 these major centres in Southern Canada we could not,
14 and we have not, provided funds to persons and organiz-
15 ations who cannot afford to come to these centres to
16 give evidence. I take full responsibility for that.
17 This is an imperfect world and there are limits to
18 what you can do in the pursuit of perfect justice to
19 everyone. So forgive me for just making those two
20 brief comments on the views expressed by Mr. Tompkins.

21 Carry on, Mr. Waddell.

22 M R. WADDELL: Yes sir. Mr.
23 Commissioner, you see that No. 12 on our list of speak-
24 ers is Robert White. Now Mr. White wrote to you on
25 January 12, 1976, and then he wrote to you again on
26 April 21, 1976, updating his previous letter. He
27 is apparently a researcher for Indian Affairs and had
28 been working with agricultural matters and soil matters
29 in the Fort Simpson-Fort Liard area. He says that he
30 was at the hearing at Fort Simpson, your hearings there,

C. Alexander

1 and was prompted to make a statement. He wanted to
2 make a brief here tonight but he wrote me another
3 note and said that he had gone up to do some more
4 research, this time up in the Yukon. So he would
5 like me to file this brief and I would like to do that,
6 sir.

7 (SUBMISSION BY R. WHITE MARKED EXHIBIT C-395)

8 MR. WADDELL: I'm going to
9 call upon Mr. Colin Alexander to speak next, and then
10 I'm going to call the representatives of Miller High
11 School. I apologize for keeping them waiting; and then
12 I'm going to call upon Mr. George Ledingham.

13 So I'll call upon Mr. Colin
14 Alexander of Saskatoon and Yellowknife.

15
16 COLIN ALEXANDER, sworn:

17 THE WITNESS: Good evening.

18 My position is that I have been a resident of the
19 Northwest Territories for approximately 15 years,
20 divided between Frobisher Bay and Eastern Arctic and
21 Yellowknife. I am the publisher and owner of the
22 Yellowknife newspaper, "News of the North", and am
23 taking a sabbatical year at Saskatoon.

24 I brought enough notes with
25 me so that I could talk as long as this land lasts,
26 however, Mr. Waddell tells me I am to restrict myself
27 to 15 minutes.

28 There appear to be very, very
29 many misconceptions and myths about development in
30 Canada's north, and one of the great problems is that

C. Alexander

1 even if we -- if we were to stop development completely,
2 there is the problem of what people are supposed to
3 do with their lives. It's all very well to say that
4 there should be no economic development and that there
5 should be no pipelines and no mines. But for practical
6 purposes, the ancient way of life of native people no
7 longer exists as it did 100 years ago.

8 There has been a tremendous
9 revolution in the way that the people live. Some of
10 it has been extremely good, and some of it has been
11 extremely harmful. Ideally I would hope that your
12 Inquiry, sir, would succeed in identifying many of
13 those good things which can be built upon, and identi-
14 fying many of those harmful things which have been
15 happening, and which the experience of natural resource
16 developments elsewhere, such as in Alaska, the High
17 Arctic, Greenland, Pine Point, maybe could be corrected,
18 so that we can learn and benefit from good experiences
19 and avoid repetition of bad experiences.

20 One of the good developments
21 which I think should be pointed out and which a lot of
22 people don't recognize, for instance, is the phenomenal
23 improvement in health care that has accompanied
24 development in Northern Canada. In the traditional
25 way of life, approximately 500 babies out of each 1,000
26 live births ended in death. We have now improved the
27 situation where some 50 out of 1,000 live births do
28 not survive.

29 There are, the problem that
30 we face, I believe, is that we would like to have

C. Alexander

-- we would like to create and maintain a society where there is opportunity for Canadians of any racial background to achieve self-sufficiency and live with dignity and self-respect. Frankly, there are many parts of Northern Canada where that situation does not now exist, and where the situation is very, very serious. There is powerful alcoholism, there is frequent -- there is frequently expanding incidents of crime, of murder, incest, breaking and entering, property damage which appears to be the manifestation of anger and frustration by largely native people who have lost a sense of meaning in their lives.

In the ancient way of life they achieved economic self-sufficiency, they had to go out and build their own houses, find their own food, and do everything which was necessary to maintain their families. With the advent of government into Northern Canada, there appeared to be a need in conformity with such well-intentioned manifestors as the United Nations Declaration of Human Rights to raise the standard of living to a much higher level by our standards, than prevailed before the advent of large amount of government services in the north.

This resulted in construction of houses, for instance, in very, very large numbers for native people. Unfortunately, it involved mass programs which brought housing from Southern Canada, usually in prefabricated form, often they were erected by southern contractors so that there was a supply of material things for native people which appeared to

C. Alexander

1 improve their material standard of living, but in
2 fact struck at the roots of self-sufficiency, according
3 to their native lifestyle, one of the requirements
4 which -- one of the normal conditions of which was
5 the construction and maintenance of their own housing.

6 We are not alone in Canada
7 in recognizing that there needed to be a substantial
8 improvement in the material standard of living of our
9 native people. The Danish Government has found the
10 same experience in Greenland, and last fall I visited
11 a community on the east coast of Greenland called
12 Angmassalik, where there is a lot of similarity with
13 the situation, say in Snowdrift or Lac La Martre, where
14 there is extremely limited prospects for people to
15 make their own living according to a standard of
16 living which we consider to be normal and decent.

17 One of the unfortunate results
18 in Angmassalik, as it is in Lac La Martre or Snowdrift,
19 is that we have had to put in not just housing but
20 also immense amounts of Southern Canadian taxpayers'
21 money in the form of welfare and relief.

22 In many of the natural resource
23 developments which have hitherto taken place in Northern
24 Canada, such as the Pine Point Mine, the two mines in
25 Yellowknife, there has not been any overall plan to
26 involve the native people in economic development so
27 that they could participate in the wage economy with
28 anything remotely resembling equality of opportunity.
29 I believe that it is completely unrealistic to think
30 either in terms of stopping the clock or still worse,

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1 the kind of development which shunts them aside so
2 that they become something along the lines of what
3 Karl Marx described in the 19th century as an indus-
4 trial reserve army, surplus to the requirements of
5 society -- surplus to the requirements of labor, of
6 the labor force. That we have seen in Southern Canada
7 and that we have the opportunity to avoid in Northern
8 Canada, if your Inquiry, sir, and those people who
9 are involved in the decision-making processes and
10 setting up the framework of society as it might opera-
11 te in the future can correct many of the mistakes which
12 have been made in the past.

13 I regret -- I am delighted,
14 sir, that you have said so often and clearly that you
15 consider your terms of reference to embrace the entire
16 future of the north. There is one area in which I
17 regret that you have not been saying that you view your
18 mandate to cover, and that is the political development
19 of the north. I believe that the future of Northern
20 Canada and its people lies with the -- lies as much as
21 anything else, with the development of democratic
22 institutions as we know them in the provinces, in the
23 form of developing a provincial style government in
24 Northern Canada. I believe that we are misplacing our
25 values, and our judgment in saying that -- in thinking
26 that Native Brotherhoods are the institutions which
27 represent all the people of Northern Canada. I believe
28 that we should be looking more properly at the Council
29 Of the Northwest Territories, the legislative body
30 which represents the entire country, which incidentally

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1 should be asked, "What's going to happen with land
2 ownership as such?"

3 Land ownership does not
4 provide self-sufficiency unless it is accompanied
5 by capital investment, by employment opportunities,
6 and the building of a society where there is purpose
7 to life, which is now so sadly lacking among many
8 communities in the north.

9 I have one more comment to
10 make and then I'm closing off because --

11 THE COMMISSIONER: Order,
12 please, ladies and gentlemen, I think that we owe
13 it to each other to see what we can learn from each
14 other, and I'm anxious to allow Mr. Alexander to
15 complete his presentation. Go ahead, sir.

16 A If you look at the
17 situation in Arctic Bay and Resolute Bay where there
18 is very, very substantial natural resource development
19 now taking place, in Arctic Bay there has been for
20 some considerable length of time a labor force going
21 to work for Pan-Arctic on the basis of working 20
22 days and having ten days off, as there has also -- and
23 some labor for Pan-Arctic has also been coming from
24 Pond Inlet, Resolute Bay, and Grise Fiord, I believe,
25 but there are some communities in Northern Canada where
26 there is, for practical purposes, near full employment
27 and I have the feeling from visiting those communities
28 that providing natural -- providing the environment
29 is protected, providing the old way of life is still
30 available, that the benefits of controlled natural

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resource development can be extremely advantageous to the lifestyle of people. It is not realistic to think in terms of the Southern Canadian taxpayer, supporting native people in Northern Canada in perpetuity; nor indeed do the majority of native people like living like that. They require training, education to participate in the opportunities which are opening up. We are doing things -- we are doing a lot of things extremely well in some of the High Arctic communities. It is extremely unfortunate that there was not more involvement of native people in such projects as the Pine Point Mine.

There has to be an overall comprehensive approach to welfare, housing, political development, economic development in order to do away with a society where the native people are being cast aside. It is just not acceptable, for instance, it is just not acceptable that native people should come out of the educational system -- without the equipment to participate in the wage economy with equal opportunity. It is not realistic to think that people half-educated can live off the land. We have people in the middle. I hope that we are now somewhere around a low point, but unless there is parallel development of people along with some form of economic development, yes, we are looking at blowing up pipelines, civil war, all those kind of things which native people with their frustration are threatening. They have grievances, really serious grievances, which we have to acknowledge and do something about. But no growth, no jobs, no development is no

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1 way to solve those problems.

2 I could talk, as I said, for
3 ages, but I won't.

4 THE COMMISSIONER: Thank you,
5 Mr. Alexander.

6 (WITNESS ASIDE)

7 MR. WADDELL: Mr. Commissioner,
8 I call upon the representatives from the Miller High
9 School, if they could come up, please; and after
10 that I'll call on Joe Roberts, and then George
11 Ledingham.

12 Mr. Berger, this is Susan
13 Dusel, and Laura Herperger, and Elizabeth Schnurr, I
14 believe it is pronounced, and they can tell you which
15 is which.

16
17 MISS SUSAN DUSEL,

18 MISS LAURA HERPERGER,

19 MISS ELIZABETH SCHNURR, sworn

20 WITNESS DUSEL: Mr. Justice
21 Berger, I'd like to say that Elizabeth Schnurr, Laura
22 Herperger and myself are all Grade 12 students in
23 Miller High School, and we have worked together to
24 prepare this brief, and we are representing the 1,600
25 students at Miller High School here.

26 Mr. Justice Berger, the
27 past few years have produced a great deal of discussion
28 regarding northern development. Arguments have been
29 initiated and printed literature has been circulated
30 endlessly. Corporations have poured millions of

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1 dollars into advertising, and the native peoples have
2 begun to organize themselves to make a sincere effort
3 to establish their values.

4 Commissions such as this
5 have been set up to delve into the legality of
6 certain proposals, and I believe along the way have
7 been forced to look into the morality as well. I am
8 not here, however, to review any of these recent
9 events, or quote any dubious statistics.

10 I am here as a representative
11 of my age group and a representative of Miller Compre-
12 hensive High School, to say that we are concerned and
13 to acknowledge the fact that whatever the decision in
14 regards to development of the north, it is going to
15 have far-reaching implications.

16 The repercussions will be in
17 a way, the very foundation of the society of my
18 generation and my children's generation. In no way
19 can I stress the importance that this decision will
20 have on Canada in the coming decades. It will be a
21 major force determining the type of national
22 character that we will exemplify. We must bear in
23 mind that not only will we be judged by other countries,
24 for our actions, but more importantly my generation
25 will have to look back and without hesitation be
26 able to justify and sincerely believe in the measures
27 we have taken.

28 We must ask just what type
29 of national image should we as Canadians be striving
30 for? It is always easier to visualize in our minds

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1 a country's character if we think in terms of human
2 beings. Canada is like a young girl who is brushed
3 briefly with the iniquities and wickedness of life.
4 Much of these so-called worldly experiences have been
5 promoted by her friend, America, who has tasted of
6 all the lawdness and corruption in city life, and
7 selfishly wishes Canada to join her.

8 The younger girl examining
9 herself sees her innocence and her pureness on the
10 one hand, and yet on the other she sees herself
11 following the beguiling America to sophistication,
12 wealth, and excitement. This is the dilemma facing us.
13 Canada has to look at herself at this point
14 and determine what type of country she wishes to
15 develop into. A close scrutiny of her attitudes is
16 necessary to determine the type of policies she will
17 follow. If she should choose policies which disres-
18 spect the rights of minority groups in Canada, such
19 as the Dene Indians and the Inuit people, the direct
20 result is a denial of justice, or to put the question
21 another way, what do you call it when the policy-
22 makers of a nation blatantly disregard the needs of
23 her own people? What word is used to describe a
24 country that heedlessly neglects her responsibility
25 to her people and forces them into the prosti-
26 tution of their culture, values and rightful heritage?

27 We say this is injustice.

28 The white man has often been caught in this duplicity.
29 We only have to look back at the provisions we have
30 made to other ethnic groups in our past. The French

1 in Quebec, for example, have been awarded special
2 status at a time when they were in a minority situation.
3 If the native people have always been treated as prized
4 animals in a zoo, this is why it is necessary to
5 examine our motives. Any action taken at this stage
6 is irreversible.

7 The proposed Mackenzie Valley
8 Pipeline has been likened to the building of the
9 Canadian Pacific Railway at the time of Confederation.
10 In John A. MacDonald's time the problem of how to
11 keep Canada together; while today the question is
12 how to consolidate our present nationhood economically.
13 In parenthesis we only have to look back in retrospect
14 of the dire consequences that the railway has posed
15 to our social and political fabric. Do we want to
16 repeat the same mistakes? After all, our present-day
17 economy was engineered within a value system directed
18 in a spiral of getting and spending, and resulting
19 in what some economists call our garbage culture.

20 Today those values are
21 undoubtedly in question. Will the building of the
22 pipeline not result in the imposition of this garbage
23 culture on our native population? The very nature of
24 our social system implies that economic growth is
25 an essential and integral part of a country's
26 development, and indeed it is. Yet it has been set so
27 high on our scale of priorities that it tends to take
28 on a god-like image and clouds out the values that have
29 more subtle, yet nonetheless important functions.

30 When was the last time that

1 we thought of people when natural resources were
2 mentioned? The human resource, there is nothing so
3 basic or so simple, yet this is a matter that is given
4 only fleeting thought and little concern.

5 Is it not ironic that
6 we talk of building a pipeline without first giving
7 consideration to the present Dene and Inuit land
8 claims now before the Cabinet? We have slowly over
9 the years changed our national identity from one of
10 hewers of wood and drawers of water to that of a highly
11 industrialized society. To accomplish this, we have
12 had to draw heavily on our non-renewable resources.
13 This drawing usually results in what is termed
14 economic development of the region in question. How-
15 ever, real development which should take into con-
16 sideration cultural and human values, is often
17 neglected. We have, as you know, advanced ourselves
18 to the stage where only our north remains virgin.

19 We are, according to a
20 great many scientists and geologists, in a stage
21 referred to as the 11th hour. Soon a revolution of
22 lifestyles and a re-evaluation of our priorities will
23 be facing us. Energy-producing non-renewable resources
24 will soon be depleted. There will be nothing with
25 which to oil the wheels and gears of our industrial
26 society. After all, this is what progenitors of the
27 status quo are telling us; should we believe them?
28 Why is it so essential to further propagate this
29 garbage culture? Must we degenerate to that type of
30 reservation system depicted in "Brave New

1 World"? If we are to have a brave new world, Mr.
2 Justice Berger, let us at least look for alternatives
3 in our natural God-given gifts.

4 We have the means to harness
5 the wind and the sun and the tide and even the rivers
6 of our dying earth. For God's sake, let us not rape
7 our earth any longer.

8 The Mackenzie Valley Pipeline
9 is no more than a phallic symbol of the white man's
10 unconscious desire to destroy himself. What conclusions
11 then are we to draw from all of this? Perhaps that
12 it is only man's characteristic fear of change then
13 which prods us to exploit our last remaining resour-
14 ces, no matter what the cost. Can we solely, because
15 of our impulsiveness and rashness, allow ourselves to
16 jump from the frying pan into the fire? Are we so
17 blind that we cannot judge in perspective the matter
18 before us? Are we furthering ^{true} development of Canada's
19 character by making human sacrifices of her people?
20 Economic development for the sake of entrepreneurs
21 in itself is undesirable, inasmuch as development for
22 profit-orientated selfish motives is disastrous.

23 Mr. Justice Berger, it is not
24 what we do with regards to the Canadian north, it is how
25 we do it. If our attitude towards progress is
26 channelled in the right direction, and we respect the
27 culture of the Dene Indian, and respect the Indian
28 land claims, then and only then will our sense of
29 development be put into the right perspective.

30 Then we can be assured that

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1 our economic advancement is not threaded with racial
2 prejudice and ignorance but indeed exemplifies an
3 image, we as Canadians can be proud of.

4 Mr. Justice Berger, on behalf
5 of youth today and tomorrow, I ask for a serious re-
6 evaluation of priorities, and I plead for a decision
7 in this matter which will allow future Canadians to
8 look back at their country's history with a clear
9 conscience and with pride.

10 In this respect we beg you
11 not to pursue the building of the Mackenzie Valley
12 Pipeline without consultation and in agreement with
13 the Inuit and Dene people.

14 (SUBMISSION OF MILLER COMPREHENSIVE HIGH SCHOOL -
15 MISS S. DUSEL - MARKED EXHIBIT C-396)

16 (WITNESSES ASIDE)

17 MR. WADDELL: Mr. Commissioner,
18 I call next upon Mr. Joe Roberts, who is representing
19 the Saskatchewan Waffle.

20
21 JOE ROBERTS, sworn:

22 THE WITNESS: My name is
23 Joe Roberts and I'm speaking on behalf of the Saskat-
24 chewan Waffle Movement.

25 This presentation from the
26 Saskatchewan Waffle Movement opposes the proposed
27 construction of an energy corridor along the Mackenzie
28 Valley, at the present stage of history, and supports
29 the broad idea that the first priority should be
30 satisfaction of the rights and claims of the native

1 people of the north. In our judgment, the conflict
2 over the Mackenzie Valley Pipeline illustrates
3 sharply three essential features of 20th century
4 Canada:

5 1. We are victims of imperialist exploitation.
6 The struggle against the pipeline is a struggle against
7 imperialism similar to all such conflicts throughout
8 the world. Those who oppose that imperialism must
9 join together to overcome the few powerful ones who
10 stand to benefit from it.

11 The oil and gas industry is
12 one of the most striking instances of imperialist
13 domination in Canada, especially significant because
14 of the extensive importance of fuel and power through-
15 out the total economy.

16 2. We are divided in Canada according to class.
17 The Mackenzie Valley Pipeline issue is a ruling class
18 venture that will further exploit the mass of the
19 people on behalf of profits for the rich. The native
20 people of the north are the pin-point, but by no means
21 the sole victims of that exploitation.

22 3. Canadian state is not neutral nor is its business
23 conducted according to abstract public interest. With
24 all the power it commands, the state is ^{being} used strictly
25 in the interests of the owning class, and this fact
26 is evident in the Mackenzie Valley Pipeline
27 speculations.

28 Mr. Justice Berger, we have
29 some 20 pages of comment on an undertaking to demon-
30 strate the points that we've made. It's late and I

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1 won't read all of that. I recommend it to you, but
2 I also want to point out that we intend to take what
3 we have to say here to the people of Saskatchewan,
4 because we hope that your message and the message of
5 this Inquiry goes beyond this room tonight.

6 I want to correct one of the
7 points that we made in the brief because today's
8 information makes us wrong by one day. We pointed out
9 under our discussion of imperialism the following:

10 "Just how immediately and directly appropriate
11 is this principle,"

12 that is the principle that the north would be developed
13 according to criteria of profit,

14 "Just how immediately and directly appropriate
15 is this principle will be evident tomorrow,"

16 that is, it is evident already today,

17 "when Cabinet is expected to announce that
18 regulations are planned for northern oil and
19 gas marketing. Last Thursday the 'Toronto
20 Globe & Mail' reported a Cabinet plan to
21 gain Canadian control over 12 trillion cubic
22 feet of gas which American-controlled companies
23 have set aside in the Mackenzie Delta for
24 first call by their California customers,
25 regardless of Canadian need."

26 Even if the present projection
27 of Canadian energy shortage in the early 1980s is as
28 false as the past projections have been, it is
29 stark evidence of the imperialist character of the
30 forces promoting the Mackenzie Valley speculation that

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1 they are prepared to service the more profitable
2 American consumer market as a first priority,
3 possibly at the cost of a Canadian shortage.

4 We have some things to say
5 about labor in the north, and the way in which southern
6 labor, organized labor will be set against unorganized
7 and less skilled -- that is skilled for the purposes
8 of southern controlled development, less skilled
9 northern labor, and we think that this is a mechanism
10 and will have the effect of promoting intra-class
11 conflict.

12 We think also that one of
13 the class consequences of this pipeline will be a
14 perversion of budget priorities, that because of the
15 impact on the international capital market, that one
16 of the first consequences will be a reduction in what
17 are called "unproductive or unnecessary state
18 expenditures", such things as health, as better
19 education, adequate housing, these kinds of things
20 will be among the first costs in a capital spending
21 priority which the Mackenzie Valley Pipeline and the
22 James Bay project and Syncrude and things like that
23 represent.

24 This, we're suggesting, has
25 a primary impact on the working class in Canada, because
26 they are the primary users of those so-called unproduc-
27 tive state expenditures.

28 We also think that it will
29 have a large impact on inflation. We know that oil
30 and gas expenditures constitute something like a third

or are responsible for about a third of the current inflation, and we have every reason to believe that the jacking-up of prices for crude oil, which is a necessary prerequisite for/ ^{the} development of the north, will add to that inflation.

Now, I'd like to present the latter part of our brief, which deals primarily with the state. It is an important illusion of our system, we believe, that these and other projects proposed and executed according to government policy must be in the public interest, since government is responsible through quadriennial elections to the public at large, and ultimately stands as a dispassionate arbitrator over the conflicting views, beliefs and interests of individuals and groups. We reject that myth, and the Mackenzie Valley Pipeline plan, since the Syncrude boom doggle, shows how thoroughly the entire state is managed in the interest of the owning class and at the expense of any broader notion of the people.

Successive governments, since at least the mid-'50s have sought to increase sales of crude oil and natural gas to the United States. Governments in Canada are the same as those throughout the capitalist world in developing intimate collegial relations with the oil monopoly. The state serves the industry in a multitude of ways, including through diplomacy, negotiation and tariff arrangements with other states, and the facilitation of foreign sales. In the Canadian context, the merger of government service and industry purpose has been expressed generally in the idea of a continental energy plan.

Since the time of the
Lefebvre government and the first so-called National
Oil Policy, the state has subordinated itself to
oil strategy relying heavily on industry
, information and judgment. This merger of
class interests affects most branches of the state; the
legislative, executive, civil service, military and
police.

Private enterprise by itself
is unwilling to develop even the far more accessible
tar sands, regardless of the promises made at the outset,
public funds and governments always showed it a burden
of keeping risk low and profits high in such develop-
ment projects. Without active state involvement,
business would not build any of the Mackenzie pipeline.

The present pipeline specula-
tion was bustled up as a result of the Alaska North
Slope Oil Rush in 1968 by industry representatives in
Canada. The Federal Government was sold on the market
prospects for sales to the United States and itself
quickly became a shill on behalf of the industry.

It is now commonly accepted
that the Cabinet has made up its mind to have the pipe-
line and is pushing ahead with reassurances to the
industry and international finance community.

Take, for example, the recent
Beaufort Sea drilling decision on behalf of Dome Petro-
leum, or consider the following items that indicate
state commitment to industry objectives.

First of all, a long history

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continental energy supply politics practised by successive Canadian governments with their U.S. counterparts.

The character of the 1973 Energy Policy for Canada report regarding the necessity of phasing in Delta fuel immediately. The original terms of reference, the Mackenzie Valley Pipeline Inquiry.

They all seek to assure a laundered and politically legitimate project being proposed by the two principal applicants. Once formal hearings began, Acting Prime Minister Mitchell Sharpe, carefully reassured business in March 1975 that Ottawa did not feel bound to treat the Inquiry report decisively in its decision making timetable.

Again, investment by U.S. gas pipeline companies such as Teneco in both Delta and Arctic exploration processes in exchange for contractual supply guarantees. Now these firms are screwing up the pressure for a quick and satisfactory solution to the pipeline debate by withholding further exploration funds from Pan-Arctic and others. Again, negotiation and initialling of the Pipeline Security Treaty with the United States in January 1976. Finally, the most recent April, Self-Reliance Policy pronouncement which links increased prices to exploitation of northern reserves.

The Prime Minister has just now vowed to proceed with that price rise and, of course, has already done that in consort with the provinces that most loyally reflect oil industry price

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policy. Now the panic timing technique is being used in this Inquiry and on the public generally.

Provincial and Federal Governments that serve the industry so faithfully are carefully orchestrating an atmosphere of urgency to make the project appear legitimate. We ought to know from the recent Syncrude lesson how crisis and the speed-up tactic are used to stampede decisions favorable to the industry, from governments entrusted with responsibility for public interest.

Politically, the parties, the civil service and the provincial subordinates within the Canadian state apparatus must make the already-made decision appear to be the result of careful, fair, representative procedure. This, we already see through.

The taxes of working people will be spent on this project as a higher priority than decent, cheap housing, more and better education, and reduced food prices. The Waffle believes it is important for such working people to know the political technique of using a Commission of Inquiry is designed to divert attention from the actual decision-making process and to give legitimacy to myths of public responsibility and democracy.

The intention, in establishing the present Commission, appears to have been to concentrate the soft opposition: moral, religious, cultural, environmental and fringe opinion. This creates the illusion that everyone has an opportunity to speak and therefore some power. Meanwhile, the hard, economically

significant decisions will be concentrated first in the M.E.B., a proven friend of the industry and of the project, and then in Cabinet.

While understanding this larger ruling class strategy, we must also recognize that in particular circumstances, such as the present, the form provided by the Inquiry is an important one for peoples' organizations and for those who are still unorganized to voice their opposition, fears, and frustrations about an imperialist, class-based injustice being imposed upon them. Through the historical interaction of opposites, that is, political manipulation versus the genuine voices of protest, the resolve of native people will be strengthened.

We place ourselves among those who can recognize the imperialist and class purposes at work in the Mackenzie Valley Pipeline speculation, and we extend our support to northern peoples and to all others who struggle against that exploitation. Many Canadians are 100 % cynical about the entire proposed project and the decision-making process itself. As a nation, we have lived through the Grand Trunk Scandal, the state give-away to create the CNR,^{and} the greatest of transportation stings, the CPR.

Finally, it was a mere 18 years ago that the Liberal Government fell, in part as a result of its eagerness to jam down our throats that infamous American gas pipe, TransCanada Pipeline. If this Inquiry can reflect the fact that virtually all voluntary groups and mass organizations of ordinary

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people have expressed themselves in opposition to the pipeline, it will be an important expression of class-consciousness.

Those who have favoured the project are primarily those with a direct financial stake and ~~they're~~ governmental affiliates whose careers are intimately linked with great corporate projects.

The Waffle believes the priorities are totally wrong in the northern scheme. We suspect that there is sufficient oil and gas from producing and shut-in sources, tar sands, and heavy oil sources and from the deeper exploration of conventionally accessible formations to meet Canada's needs right now. We agree that there is not enough known hydrocarbon energy available in Canada to maintain world control of the international monopoly and our energy commitments to the United States, now or ever. Our suspicions about oil and gas supply are heightened at this very moment by news that, first of all, the N.E.B. has permitted a speed up in export of gas to the Canadian-Montana Pipeline and secondly, that Alberta is planning a world-scale chemical industry based on cheap feed stock from natural gas.

In our view, governments are striving to promote scarcity in conventional, available supplies in order to justify the opening of a northern reserve before other human problems are addressed. We cannot believe the scarcity data upon which the Mackenzie Pipeline is based. Too much available evidence suggests a likely world glut in oil and gas with

capacity being shut-in at the same time governments are being induced to subsidize new exploration frontiers.

The aim of industry and compliant governments is to maintain a traditional industry strategy of multiple sources of supply as a way to avoid vulnerability to possible monopoly advantage by suppliers. Nations and companies are eager to diversify supply sources in order to optimize security. So long as the same companies control the sources or at least the transportation, refining, and marketing, there will be no competition resulting from this diversification that will benefit national economies.

If the Canadian state were genuinely concerned about shortage of supply and yet wish to avoid abject subordination to the oil monopoly while solving the human justice issues of the north, it might explore state-to-state supply arrangements.

Reports suggest, for example, that oil reserves discovered on the east coast of China compare favorably with the Mid-East in quantities and quality.

Look, let's be quite serious, I sat here for two hours beyond what you told me when I was going to perform. I've waited for you-- an exchange of wheat and potash for oil is reasonable prospect for future potential shortage, once Canada has made a genuine attempt at self-sufficiency.

With a state-to-state trading arrangement avoiding the middle-man mark-up, we might rely on relatively less expensive fuel refined in our

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own plants during the period necessary for gradual development of our frontier reserves.

If the correct priorities were to be executed in the north, they would begin with the proposition that it is ^{not} now necessary to develop oil and gas reserves. The claims and rights of northern people, native people preeminently, must come before energy speculation. Nor can it be sufficient for the ruling class to ^{simply} acknowledge that native people have legitimate rights and then establish what it deems to be a just price to settle for those rights. If they are not dealt with justly, these claims will never vanish; they will continue to demand satisfaction, ultimately, in various forms of violence.

The Waffle supports the claims of native people for more meaningful control of their own territory. We reject the lie that oil and gas shortage makes necessary exploitation of the north. The only emergency is that felt by the oil monopoly for their profits, for there has been a perceptible loss in their long-established, free-wheeling power over world resources.

The crisis in Canada arises from private misuse of existing resources. According to what social reason does Alberta set out to squander hydro-carbons on a world-scale petrochemical industry. What inverted reasoning can be found to justify the continued export of oil and gas to the United States in the heart of this supposed scarcity. Any rearrangement of priorities is totally impossible so long as corpor-

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ate power is in the saddle. In order to meet the human needs, the monopoly power of energy control must be taken out of private hands. Only with a publicly controlled energy system can we begin to know what Canada really has and what we really require.

This does not mean a mixed government and private enterprise system, since that would only be a cover for the private industry. An energy and development policy for the public is still needed in Canada. The task of developing such a policy is too important to be left in the hands of the industry and its state mandarins. It will not be possible until profit is taken out of energy.

The Inquiry was originally a mistake, Mr. Justice Berger. Those in power created it to divert attention while the real game went on elsewhere, but a ground swell of opposition to imperialism and support for native claims has built around the efforts of this Commission. There is an outside possibility that the demands of people will have to be honoured by the ruling class. The Commission can either betray that ground swell or it can help give it a mighty voice.

(SUBMISSION BY SASKATCHEWAN WAFFLE MOVEMENT

- J. ROBERTS - MARKED EXHIBIT C-399)

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner, I should say for the record that I informally asked the people who are presenting briefs to stay within 15 minutes so that we could hear from as many people as

G. F. Ledingham

possible; 15 people have done that.

THE COMMISSIONER: Yes, well
let's carry on.

MR. WADDELL: Fine, sir. We'll
just have time for another brief. I don't think we'll
have time for more.

THE COMMISSIONER: Let's hear
the other brief.

MR. WADDELL: It's from Mr.
George F. Ledingham, who is with the Department of
Biology, University of Regina. Mr. Ledingham?

G.F. LEDINGHAM, sworn:

THE WITNESS: Mr. Berger, I
have real pleasure in being here. My brief is signed
as a private individual brief, but I believe I speak for
a rather large number, say, two thousand naturalists. I
was for fifteen years editor of the Saskatchewan Natural
History magazine. I didn't have time to check my brief
with them, but I feel I have their opinion and I wanted
to say several things. I was afraid they wouldn't be
said tonight. Most of them have been, so I'm going to
be very brief.

One thing I do want to say and
this is the main reason I persisted and wanted to put
my name in for a brief, and that is, that I have the
greatest respect for your integrity. Through the last
year, I have come to admire the good faith and consider-
ation with which you have conducted this Inquiry. . I
hope you realize that the people of Canada feel that

G. F. Ledingham

very strongly. Tonight, if I had written this tonight, I would have added a couple of things, including your patience and your good humour and of course, your endurance. I know it's after 12 and I really shouldn't say anything.

In my brief, I express the cynicism about the government. The other day, maybe this is something you haven't noticed, there was an article in our "Leader Post" May 10th, headed "Search for Oil, Gas, Long Arduous Journey". Now it looks like it came straight from the oil corporations and it, to me, explained why Mitchell Sharpe and ^{several} others hadn't already declared the beginning of the pipeline. You see, I'm quite cynical. I thought they weren't going to wait for the end of the-- and when they hadn't made a decision, I thought, well, it was because there isn't enough gas. That's what this paragraph says.

"Regardless of who builds the gas pipeline, the economies of scale dictate that more gas needs to be found in the Mackenzie Basin and most of the remaining oil and gas potential lies under the Beaufort Sea." Hence, this terrible decision to drill in the Beaufort Sea, in spite of the lack of technology. Would you like that? So, just to give you the things that I wanted to say.

First, I'll criticize, maybe we don't have enough gas to build a pipeline anyway. So I would be against the pipeline, but even if there were proof of immense quantities of gas, and even if it were only one area of the Arctic so that the transportation

G. F. Iedingham

and the drilling of the gas and the oil just came out from a small area of the Arctic, so there'd be rather little danger of damage, which is described well in "Oil Under the Ice" by Dr. Pimlott and others. Even if there was no danger to the environment and of course, I'm a biologist and I am interested in the environment but I won't go into that, I would say no pipeline until we have settled the land claims of the people of the north and that they have been informed and know of the hazards of further development.

I feel that the peoples of the north should have the responsibility for the things that happen in the north and they must be allowed to balance the advantages and disadvantages of each developmental project.

I think I feel a bit that way because I'm a native of Saskatchewan, and a good third of my life was lived in that time when we didn't control our own resources. They were controlled from Ottawa until 1930, and so we're in the same position. What happened to us is now happening in the Arctic. I feel for the people, no matter who is there. It's a colony situation and I think we should be in a situation beyond that.

I think of the-- just one sentence that I reflect something that hasn't been mouthed in the same way tonight. If all wildlife were destroyed in the Arctic and of course, the exploration permits blanket the whole Arctic practically, both land and sea, so, you know, it's frightening when you

G. F. Ledingham

think of the difficulties of the Arctic.

As a birdwatcher, I see the thousands of geese and swan and cranes that pass through this area each spring and fall and so I can kind of envisage the Arctic birdlife and also mammals and fish, as well. If all this was destroyed, life in the Arctic would completely change. The result would be as serious to the independence and the culture of the peoples as the slaughter of the bison 100 years ago was to our Plains Indians. It seems to me kind of a similar situation. Of course, we still live under that cloud of what we did before. We don't seem to be learning.

So, in the cynicism about the Federal Government, one thing that I remember even when I was editor about 3 years ago, we had examples of this ambivalence in Judd Buchanan's Department of Indian and Northern Affairs and it seems to me that you can't serve both and that he serves the development aspects and he, you know, forgets about the Indians. I think the people should come first. I feel that if they had control of their own affairs, if they controlled their resources, we wouldn't be worrying so much about the environment as we are now because their whole life depends on protecting the environment. That's where they live. It's easy for us down here to decide we'll take the resources but what then would be left. If they had charged, then they would weigh these things carefully. I kind of feel that our government is not ecologically oriented in its thinking. It's kind of immediate resource extraction oriented. The short

G. F. Ledingham

term economic things are the important things, rather than thinking of the long term good.

So, to sum up, as a biologist, I'm concerned about the environmental impact of the pipeline; moreover, as a Canadian, I'm concerned about the sociological impact that the pipeline will have on the peoples of the north. In addition, of course, I have to be aware of the economic effects and I realize that this aspect of the problem is extremely complex. I hope that the possibility of short term economic benefits to southern Canada will not prevent careful consideration of how the pipeline will affect the north and its peoples.

The pipeline as envisaged now would completely destroy resources and peoples of our last frontier. It's not worth the cost and I, as a southern Canadian, rule against it now. Thank you.

(NEWSPAPER ARTICLE "LEADER POST" MAY 10, 1976

MARKED EXHIBIT C-397)

(SUBMISSION BY G.F. LEDINGHAM MARKED EXHIBIT C-398)

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner, we've covered everyone that has indicated some time ago that they'd like to present a brief. I'd like to file a couple of other briefs with you. One is from T.M. Beveridge. Mr. Beveridge has left copies of his brief if we could file that. The other is from Thomas E. Keyes. Mr. Keyes has left a copy of his brief if we could file that. The final one is from Joan Klein from Regina and she has asked me to file this one-page brief

with you. Sir, you've heard from seventeen people and there have been seven briefs filed.

THE COMMISSIONER: Thank you, Mr. Waddell. Do any of the-- Mr. Goudge?

MR. GOUDGE: Sir, the hour is late and you've heard a number of submissions and I can say, fortunately, that none of the full-time participants have indicated to me that they wish to say anything and I trust, sir, that that means the evening is concluded.

THE COMMISSIONER: Well, not quite. I think I said thank you, all of you who came tonight, especially those persons and organizations which took the time and trouble to give the Inquiry the benefit of their views on this most important question. I think that it's been an interesting and worthwhile evening. It certainly has been from my point of view and I hope it has been also from your point of view.

We have spent fourteen months in northern Canada, hearing evidence from the experts and from the people, and we set aside one month to travel to southern Canada to hear what you have to say about all of this. That means that we felt we could only spend this one day in Regina, so I apologize to those of you who didn't get an opportunity to present your views as fully as you might have wished, but those I'm afraid are the exigencies of travel and holding hearings in this vast country.

Perhaps I might make this comment that I know Mr. Waddell told all of you to come

1 at eight o'clock to present your briefs. I think that
2 that's the procedure he follows in each city that we
3 visit. That procedure certainly has my approval because
4 I think that you come here not just to present your
5 own views, but to listen and to consider the views of
6 others. I think that's the way the democratic process
7 ought to work, that we should be prepared to listen to
8 and try to understand the views of one another. There
9 is a tendency also in the organizations to which we
10 belong to hear the views of people that ^{we are} pretty sure in
11 advance are going to agree with the views we already
12 cling to strongly and that makes us feel good, but
13 sometimes it's even better to go to a gathering like
14 this where diversity of views are presented and where,
15 I think, we do have the opportunity of learning from
16 one another.

17 Let me say that we have found
18 in the hearings we have held in Vancouver, Edmonton,
19 Calgary, and now Regina, that people, like Mr. Alexander,
20 who spoke earlier, who have lived and worked in the
21 north, as teachers, as public servants, in business,
22 have taken the trouble, when we passed through their
23 cities in southern Canada, to come out and give us the
24 benefit of their reflections on life in the north and
25 we appreciate that. That has been for us an unexpected
26 dividend to these southern hearings, and let me say as
27 well that we appreciate the efforts of all of you and
28 we appreciate the fact that in the exercise of respon-
29 sible citizenship, you have decided that it is impor-
30 tant that you express your views to this Inquiry.

(PROCEEDINGS ADJOURNED TO MAY 20, 1976)

(PROCEEDINGS ADJOURNED TO MAY 20, 1976)

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AUTHOR

Mackenzie Valley pipeline inquiry:

TITLE

Regina, Sask. May 19, 1976

DATE DUE

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MACKENZIE VALLEY PIPELINE INQUIRY

Government
Publication

THE MATTER OF APPLICATIONS BY EACH OF

- (a) CANADIAN ARCTIC GAS PIPELINE LIMITED FOR
RIGHT-OF-WAY THAT MIGHT BE GRANTED ACROSS
CROWN LANDS WITHIN THE YUKON TERRITORY AND
THE NORTHWEST TERRITORIES, and
 - (b) FOOTHILLS PIPE LINES LTD. FOR A RIGHT-OF-WAY
THAT MIGHT BE GRANTED ACROSS CROWN LANDS
WITHIN THE NORTHWEST TERRITORIES
- FOR THE PURPOSE OF A PROPOSED MACKENZIE VALLEY PIPELINE

and

IN THE MATTER OF THE SOCIAL, ENVIRONMENTAL AND
ECONOMIC IMPACT REGIONALLY OF THE CONSTRUCTION,
OPERATION AND SUBSEQUENT ABANDONMENT OF THE ABOVE
PROPOSED PIPELINE

(Before the Honourable Mr. Justice Berger, Commissioner

Winnipeg, Manitoba

May 20, 1976

PROCEEDINGS AT COMMUNITY HEARING

Volume 57

CANADIAN ARCTIC
GAS STUDY LTD.

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APPEARANCES:

Mr. Ian G. Scott, Q.C.
Mr. Ian Waddell, and for Mackenzie Valley Pipeline
Mr. Ian Roland, Inquiry;

Mr. Pierre Genest, Q.C. and
Mr. Darryl Carter, for Canadian Arctic Gas
Pipeline Limited;

Mr. Alan Hollingworth and
Mr. John W. Lutes, for Foothills Pipe Lines Ltd.;

Mr. Russell Anthony and
Pro. Alastair Lucas for Canadian Arctic Resources
Committee;
Mr. Glen Bell, for Northwest Territories
Indian Brotherhood, and
Metis Association of the
Northwest Territories.

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M835
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1 Winnipeg, Manitoba

2 May 20, 1976

3 (PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

4 THE COMMISSIONER: Ladies
5 and gentlemen, I'll call our hearing to order this
6 afternoon.

7 The Mackenzie Valley Pipeline
8 Inquiry is taking its hearings to the main centers of
9 southern Canada to consider the views of people like
10 yourselves who have indicated in large numbers
11 that they wish to make representations to this Inquiry.
12 We are here to give you that opportunity because we
13 Canadians have some important decisions to make,
14 decisions for which all of us will share a measure of
15 responsibility.

16 As you know, two pipeline
17 companies, Arctic Gas and Foothills Pipe Lines, are
18 competing for the right to build a gas pipeline to
19 bring natural gas from the Arctic Ocean to southern
20 Canada and the United States.

21 The Government of Canada has
22 established this Inquiry to see what the social,
23 economic and environmental consequences will be if the
24 pipeline goes ahead and to recommend what terms and
25 conditions should be imposed if the pipeline is built.
26 So, we are conducting an Inquiry about a proposal to
27 build a pipeline along the route of Canada's mightiest
28 river, a pipeline costlier than any in history, a
29 pipeline to be built across our northern Territories,
30 a land where four races of people, white, Indian, Metis

1 and Inuit live, where seven different languages are
2 spoken, the first pipeline in the world to be buried in
3 the permafrost.

4 The pipeline project will not
5 consist simply of a right-of-way. It will take three
6 years to build. It will entail hundreds of miles of
7 access roads over the snow and ice. It will mean that
8 6,000 workers will be needed to build the pipeline
9 and 1,200 more to build the gas plants in the Mackenzie
10 Delta. It will mean 600 crossings of rivers and
11 streams in the north. It will require 30 million cubic
12 yards of gravel which will necessitate the establishment
13 of 98 gravel mining operations. It will mean pipe,
14 barges, wharves, trucks, machinery, aircraft, airstrips.
15 In addition, it will mean enhanced oil and gas exploration
16 and development in the Mackenzie Valley, the
17 Mackenzie Delta and the Beaufort Sea.

18 Now, the Government of
19 Canada has made it plain that the gas pipeline is not
20 to be considered in isolation. In the expanded
21 guidelines for northern pipelines, they have laid it
22 down that this Inquiry is to proceed on the assumption
23 that if a gas pipeline is built, an oil pipeline will
24 follow. So, we must consider the impact of an energy
25 corridor that will bring gas and oil from the Arctic
26 to the mid-continent.

27 Now, it isn't for this Inquiry
28 to decide whether a pipeline should be built and an
29 energy corridor established. That is for the
30 Government of Canada and it is a question that they

1 will have to decide when they have my report and the
2 report of the National Energy Board dealing with gas
3 supply and gas requirements. Then the government will
4 have to determine whether we should go ahead with the
5 project and these are questions of national policy to
6 be determined by those elected to govern.

7 My task and the task of this
8 Inquiry is to make sure that we understand the con-
9 sequences of what we are doing to enable the Government
10 of Canada to make an informed judgment.

11 The Inquiry began its hearings
12 on March 3rd, 1975 in Yellowknife. Since then we have
13 held many months of formal hearings listening to the
14 evidence of engineers, scientists, biologists,
15 anthropologists, economists, listening to the people
16 who have made it the work of their lifetime to study
17 the north and northern conditions.

18 The environment of the Arctic
19 has been called fragile. That may or may not be true.
20 Arctic species certainly are tough. They have to be
21 in order to survive but at certain times of the year
22 especially when they are having their young, they are
23 vulnerable. If you build a pipeline from Alaska along
24 the Arctic coast of the Yukon, you will be opening up
25 a wilderness where the Porcupine caribou herd calves
26 on the coastal plain and in the foothills every summer.
27 This is one of the last great herds of caribou in
28 North America.

29 Then it is proposed that the
30 pipeline from Alaska should cross the mouth of the

1 Mackenzie Delta where the white whales of the Beaufort
2 Sea have their young each summer. Millions of birds
3 come to the Mackenzie Delta and the coast of the
4 Beaufort Sea each summer from all over the western
5 hemisphere to breed and to store up energy for their
6 long journey south in the fall. Can we build pipelines
7 from the north under conditions that will ensure the
8 survival of these species? These are some of the
9 questions that this Inquiry is wrestling with.

10 But it is the people of the
11 north that have the most at stake here because they
12 will have to live with whatever decisions are made.
13 That is why the Inquiry has held hearings in 28 cities
14 and towns, villages, settlements and outposts in the
15 north, to enable the peoples of the north to tell me,
16 to tell the government, and to tell all of us what their
17 life and their own experiences have taught them about
18 the north and the likely impact of a pipeline and an
19 energy corridor.

20 The Inquiry has been from
21 Sachs Harbor to Fort Smith, from Old Crow to Fort
22 Franklin and has heard from 700 witnesses in the
23 north in English, French, Loucheux, Slavey, Dogrib,
24 Chipewyan and Eskimo. Our task is to establish
25 constructive approaches to northern development. If
26 we are to do that, we have an obligation to canvass
27 all of the questions before us.

28 Some of these questions are:
29 Should the land claims of the native peoples of the
30 north be settled before a pipeline is built? If it is

1 built and the native people want to participate in
2 its construction, how can we ensure that they are
3 given an opportunity to work on the pipeline? Can they
4 develop skills on the pipeline that will be of some
5 use to themselves and to the north after the pipeline
6 is built? Can we provide a sound basis for northern
7 business to obtain contracts and sub-contracts on the
8 pipeline?

9 What about the unions? We
10 are told they have an awesome measure of control over
11 pipeline construction in Alaska. Should they have the
12 same measure of control over pipeline construction in
13 the Mackenzie Valley?

14 What about the local taxpayer
15 in the larger centers in the north such as Yellowknife
16 and Inuvik? If you have a pipeline boom, you will have
17 to expand your schools, your hospitals, your police
18 force, your local services. What measuresought to be
19 taken to enable the municipalities and other institutions
20 of local government to cope with the impact?

21 We Canadians think of our-
22 selves as a northern people so the future of the north
23 is a matter of concern to all of us regardless where
24 we live. In fact, it is our own appetite for oil and
25 gas and our own patterns of energy consumption that have
26 given rise to proposals to bring oil and gas from the
27 Arctic. It may well be that what happens in the north
28 and to northern peoples will tell us something about
29 what kind of a country Canada is and what kind of a
30 people we are. That is why we are here today to listen

1 to you.

2 I should add that we have
3 some visitors from northern Canada with us. The CBC
4 established at the beginning of this Inquiry a northern
5 broadcasting unit which travels with the Inquiry through
6 out the north and broadcasts each evening over the
7 northern network of the CBC in the Northwest Territories
8 and the Yukon to all of the peoples of the north in
9 English and the native languages, and the CBC's broad-
10 casting unit is accompanying the Inquiry on its tour
11 of southern Canada and is broadcasting each evening
12 from our hearings in the south, reporting what is
13 being said to people who live in northern Canada.

14 Those broadcasters who are
15 with us today include Whit Fraser who broadcasts in
16 English, Jim Sittichinli who broadcasts in Loucheux,
17 Louis Blondin who broadcasts in Slavey, Joe Toby
18 who broadcasts in Chipewyan and Dogrib and Abe Okpik
19 who broadcasts in Inuktitut.

20 I'll ask Mr. Goudge of
21 Commission Counsel to outline our procedure today.

22 MR. GOUDGE: Yes sir. I
23 should begin by saying that these procedures have
24 been agreed to by all the full-time participants that
25 have been appearing before you in Yellowknife and they
26 are obviously designed to facilitate the full and fair
27 participation on the part of all those who wish to
28 make submissions in Winnipeg.

29 The Inquiry advertised in all
30 the major newspapers across southern Canada and asked

1 that written briefs be submitted to the Inquiry office
2 in Ottawa by May 1st. That was done in order to
3 facilitate our planning of our time in southern Canada
4 and Mr. Waddell, who is seated on my left, has scheduled
5 those who replied from Winnipeg to present their briefs
6 to you this afternoon and this evening. Any who did
7 not submit their briefs to the Ottawa office by May
8 1st and who still wish to make submissions should see
9 Mr. Waddell and if possible if time permits, I know
10 he will do his best to fit them into the schedule.

11 The procedures we propose,
12 sir, are very simple. First of all, we proposed that
13 there be no cross-examination at these hearings but
14 if further questioning of those who give briefs to you
15 today should appear useful or is desired by any of the
16 full-time participants, we will undertake to do our
17 best to arrange that that be possible at a mutually
18 convenient time and place.

19 Secondly, we've agreed that
20 all full-time participants will have the opportunity
21 at the end of the session to respond briefly to what
22 has been said to you today in Winnipeg.

23 Thirdly, sir, we will ask each
24 witness to take the oath or to affirm. That is the
procedure we have followed in the north and that's
indicative of the importance that the Inquiry places
on what is said here. Those are the procedures we
propose, sir, and Mr. Waddell will proceed, I think, to
call the witnesses.

MR. WADDELL: Mr. Commissioner,

Rev. B. Valentine

the first brief is from the Anglican Diocese of Ruperts Land and I would call upon the Right Reverend Barry Valentine, the Bishop, to present that brief.

REV. BARRY VALENTINE, sworn:

THE WITNESS: Your honor. It is a privilege for me to be allowed to be here and an additional privilege to be the first. You'll forgive me if I wondered if that was a non-religious equivalent of opening with prayer.

Perhaps you'd allow me to desert the written submission for a moment simply to indicate that the diocese of which I am the head was originally the diocese which covered the whole territory of the west and north and for many centuries has had a deep concern about the interpenetration of the social, religious and commercial life of the community. It might very well be suggested that the ^{for this} necessity/ Inquiry is an illustration of our failure but at least our continuing concern is present and historical.

The Synod of the Diocese of Ruperts Land supports the following statements on native land claims and northern development contained in a brief presented to the Prime Minister and members of the Federal Cabinet by Canadian church leaders on the 2nd of March, 1976.

"The Canadian north has become center stage in a struggle to gain control of new sources of energy and minerals on this continent. Corporations and governments continue to plan the construction of

Rev. B. Valentine

power plants, pipelines, railways, highways and mining projects without the direct participation of native peoples in the north and before a just settlement has been reached on their land claims.

We believe that the Federal Government has a major responsibility to insist that colonial patterns of development do not prevail in the Canadian north. We therefore urge the Federal Government to introduce a moratorium on major resource development projects in the Northwest Territories to allow sufficient time to achieve the following objectives:

1. A just settlement of native land claims.
2. Adequate safeguards to deal with environmental problems.
3. Adequate programs to regulate domestic consumption and export of energy resources.

We also urge the Federal Government to provide assurances that no approval will be granted for the building of a Mackenzie Valley Pipeline until the Berger Commission has submitted its final report."

The Synod recognizes that the satisfaction of the just claims of the native peoples for protection of their lands and way of life is not without implications for other Canadians. Without the assets of exportation of the resources of the Northwest, the people of the southern part of the country will have to live less prosperously than they do now. To this extent, the needs of southern and

Rev.B. Valentine

1 northern Canadians are in conflict with regards to
2 developing these resources.

3 This conflict, we believe
4 should not be settled by serving the interests of the
5 people in the south at the expense of those of the
6 people in the north. Rather, it seems reasonable to
7 ask southern Canadians to make as great a sacrifice for
8 the good of northern Canadians as the northerners will
9 have to make for those of the south.

10 The Synod perceives in the
11 community which it represent a growing willingness to
12 modify the lifestyle of its members as part of the
13 just solution of a problem which is national in
14 character. It acknowledges a responsibility to strive
15 for a wider acceptance of this attitude among its own
16 constituency and in the wider community.

17 It might be argued that as
18 these resources are in the north, the interests of
19 northerners alone should be considered. However, in
20 a country with our cold winters, there would be a point
21 at which life would be impossible without a reliable
22 and fairly priced source of heat. Just as it is
23 immoral to serve the needs of the southerners at the
24 risk of making the north uninhabitable, so it would
25 be immoral to protect the north by making the south
26 uninhabitable but there is a considerable range between
27 the present relative luxury of life in the south and
28 an austerity so severe that life would be impossible.

29 As Christians, the members of
30 the Synod feel that there is a pressing need for a

Rev. B. Valentine
W. M. Norrie

change in our relationship to nature and to each other.
We are aware that to exploit others is to be in
conflict with the commandment to love our neighbors.
Circumstances are now reminding us that we were not
given this world to destroy and exploit by wastefulness
but to care for as life tenants. We are the stewards of
the earth rather than its owners and as such we have an
obligation to husband its resources and to leave it
for future generations, not impoverished but enhanced.

Thank you, your honor.

(SUBMISSION OF THE ANGLICAN CHURCH OF CANADA,
DIOCESE OF RUPERT'S LAND MARKED EXHIBIT C-404)

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner,
our next brief is from the City of Winnipeg, their
brief to be presented by Councillor W. M. Norrie.

W. M. NORRIE, sworn;

THE WITNESS: My lord, may
I at the outset say that I really appear a surrogate
for the mayor who was not able to be present and
normally in those circumstances perhaps the deputy
mayor would have appeared, and he was also unable to be
present, so I am making the presentation.

I would like to say as well
that perhaps it's significant that the City of
Winnipeg should be following his grace, having heard
the spiritual side of the matter, perhaps we move to
the temporal concerns.

Mr. Commissioner, the Council
of the City of Winnipeg welcomes this opportunity to

W. M. Norrie

appear before the Mackenzie Valley Pipeline Inquiry to make its views known to you. The Council of the City of Winnipeg speaks on behalf of some 575,000 residents of this city, the third largest civic corporation in Canada and at the last census, the fifth largest census metropolitan area in Canada.

The latest available population projections indicate that the population of the city of Winnipeg will reach some 624,000 persons by 1981 and 676,000 persons by 1986. The City of Winnipeg therefore has a serious interest in energy matters, itself being a supplier of energy through its own utility, Winnipeg Hydro. The City of Winnipeg has been and is being served excellently by its own electric utility, Winnipeg Hydro, and also by Manitoba Hydro. Both utilities supply hydro-electric power to the residents and industry of Winnipeg in an efficient and dependable manner. As well, for many years a Winnipeg hydro steam generating plant has provided steam heating to commercial users within the downtown core area of the city.

In spite of the excellent service, however, offered by the hydro-electric utilities, and in spite of hydro electricity rates which are the lowest in Canada, natural gas still is much less expensive as a heating fuel and for this reason is much desired for heating in the City of Winnipeg.

Recent estimates of the annual cost of heating in an average Winnipeg home by three different energy sources are as follows: natural gas,

W. M. Norrie

\$205 - \$250 per year; oil, \$300 - \$374 per year; and electricity, \$450 - \$555 per year.

Winnipeg was one of the first centers of major size in Canada outside of the producing areas to be supplied with natural gas nearly twenty years ago. In the past twenty years, a pattern of heavy reliance upon natural gas as a heating and industrial fuel has developed in the Winnipeg area. Some indication of the degree of dependence of Winnipeg upon natural gas relative to all of Manitoba and the following rest of Canada is given by the table extracted from the 1961 - 1971 Census of Canada and the table is set forth, Mr. Commissioner, and it's expressed in thousands, and just as an example I would point out that in 1971 there were 631,000 of households. The percentage in that year heated by natural gas 30.9 percent. That's in all of Canada.

In Manitoba, the corresponding figure in '71 was 53.3 percent and in the City of Winnipeg census, metropolitan area which is generally the City of Winnipeg with a few additional areas, 75.9 percent. Now, that had jumped from the 1961 figure which was 28.7 for the City of Winnipeg, a substantial increase.

Today, sir, there some 119,000 consumer residential natural gas customers in the City of Winnipeg representing 87 percent of the residences in the city other than apartments. Whilst figures on industrial usage are not available for the city of Winnipeg, data for Manitoba may provide some indication

W. M. Norrie

of the reliance of industry in Winnipeg on natural gas.

In 1971, natural gas had secured only 32 percent of the industrial market in Canada but had 47 percent of the industrial market in Manitoba. Because of the ^{greater} availability of natural gas in Winnipeg than in all of Manitoba, the penetration of the Winnipeg industrial market is in all probability much higher than 47 percent.

In 1971, natural gas supplied 30.3 percent of the overall energy requirements within the Province of Manitoba; oil, 49.9 percent; electricity 15.7 percent and coal 4.5 percent. Again, while figures are not available for the City of Winnipeg, it is safe to assume that because of the greater availability of natural gas in Winnipeg than in the province as a whole, natural gas would supply a significantly greater proportion of the total energy requirements of the City of Winnipeg.

Projections of energy demand by the Manitoba Energy Council indicate that in 1990, Manitoba still will be dependent on petroleum products for 50 percent of its energy needs in spite of continued development of hydro sites and consideration of a nuclear electric generating program as well as the examination of new technology. Thus, our heavy reliance upon oil and gas will continue well into the future.

A natural gas shortage is something that is viewed by most Canadians as a possibility at some time in the next ten to twenty

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years. In Winnipeg, a severe natural gas shortage has existed for two years. In May 1974, after failing to obtain export permits from the Province of Alberta for additional volumes of natural gas, the local distributor of natural gas, the Greater Winnipeg Gas Company, was unable to take on new customers of any kind. As there are some 3,000 to 5,000 single family and duplex dwelling units constructed in Winnipeg annually, nearly all of which become natural gas customers, and as some 300 to 400 new commercial and industrial natural gas customers are added annually as well as a number of conversions to natural gas, this action caused considerable disruption to the house-building industry in particular, and to new business in general.

In August 1974, the Greater Winnipeg Gas Company resumed extended service to new residential customers. However, in 1974, the freeze on new residential customers was reimposed. This condition existed until August, 1975. From August 1975 to date, new residential customers have been accepted. There is no assurance however that natural gas will be available next year or the following year for new residential construction.

The Greater Winnipeg Gas Company has been unable to accept new commercial industrial accounts since May of 1974 and even existing accounts were unable to increase their usage of gas from May of '74 until May, 1976. In May, 1976 applications from existing commercial industrial users who

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1 wish to increase their consumption began to be
2 processed. Once these applications have been filled,
3 the gas company will begin to service the backlog
4 of some 900 new commercial industrial applications
5 which have been received since May 1974. It is
6 estimated that with no further interruptions, it will
7 take some two years to clear up the backlog .

8 New firms making applications
9 for service today can be given no assurance that they
10 will be accepted as customers in two years time.
11 Commercial industrial firms that are considering
12 Winnipeg as a possible location for a plant or factory
13 can be given no assurance that they will be accepted
14 as natural gas customers at some time in the future.
15 This condition of uncertainty surely is a substantial
16 detriment to Winnipeg as a possible location for new
17 industry and as an impediment to the growth of
18 industry and employment in this city.

19 Since May, 1974, the Greater
20 Winnipeg Gas Company has not been able to accept
21 residential or commercial conversions. This situation
22 has had a direct effect on the operations of the
23 City of Winnipeg as this is a factor which complicates
24 any plans for the phasing out of the steam generating
25 plant operated by Winnipeg Hydro. Thus, shortages
26 of natural gas already are acting to slow the industrial
27 growth of Winnipeg and have caused severe disruptions
28 in the house-building industry. This situation can
29 only worsen as Alberta gas supplies start to decline
30 in terms of deliverability by the late 1970's or the

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early 1980's.

While expedients such as storage facilities in Manitoba or reduction in exports to the United States or a reduction in hold-back of natural gas for future Alberta use may provide a few more years of supply to Winnipeg and the south in general, these are only stop-gap measures and not a long-range solution to the supply problem. The only long-range solution to the supply of natural gas with the necessary immediacy which now is available is natural gas from the Mackenzie Delta by pipeline via the Mackenzie Valley.

The City of Winnipeg realizes that this Inquiry must take into account the possible adverse effects of any such pipeline upon the fragile environment of the north and upon the economic and social well-being of the inhabitants of the north; and further the city urges that great effort be extended to safeguard the former and to improve the latter.

In light of what has been said, the Council of the City of Winnipeg on May 5th, 1976 adopted the following resolution:

"In view of the present and future needs of the residents of Winnipeg for energy for residential and industrial uses, your Executive Policy Committee recommends ..."

This was a recommendation, Mr. Chairman, to the Council, "... that council make a presentation to the Mackenzie Valley Pipeline Inquiry headed by Mr. Justice Thomas R. Berger in support of the

W. M. Norrie

Mackenzie Valley Pipeline."

Now, Mr. Chairman, I might say in parenthesis in addition to this that we realize that you will of course be taking into account the many facets and technical matters which will be presented before you. This brief is not intended to be a technical presentation. It is not intended to enter into the arguments, one pipeline versus the other or into the engineering problems or possibilities that present themselves to the builders of the line. However, we are very conscious and I would want to underline this that in whatever line is built or whatever method is used to transport this needed natural resource, that we would hope that those in authority would be very conscious of the concerns of the people of the north and would be very conscious of the ecological problems that will be encountered. It is in that context having said all of the things that we have said concerning the needs of the City of Winnipeg and other southern cities that we would hope that whatever recommendations you see fit to make would be developed in that particular context.

Mr. Chairman, we appreciate the opportunity of making this presentation to you and we thank you for your patience in listening.

THE COMMISSIONER: Thank you.

(SUBMISSION OF THE CITY OF WINNIPEG MARKED
EXHIBIT C-405)

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner,

W. M. Norrie
K. Johnson

1 the next brief is from the Manitoba Naturalists'
2 Society and Karen Johnson will give that brief sir.

3 KAREN JOHNSON, sworn;

4 THE WITNESS: Mr. Commissioner,
5 the Manitoba Naturalists Society is a volunteer
6 organization with interests in the field of natural
7 history. We are grateful for the opportunity to
8 present this brief outline of our views regarding the
9 proposed Mackenzie Valley Pipeline.

10 We are aware of the detailed
11 and technical presentations which have been made before
12 you already and wish to emphasize only a few general
13 points, those specifically related to the objectives
14 of the society.

15 We as a society have several
16 objectives and chief among them are the fostering of
17 an awareness and an appreciation for the natural
18 environment and the preservation of undisturbed natural
19 areas for future generations. This presentation is
20 therefore in support of these objectives on a national
21 rather than a regional scale.

22 If it is ultimately decided
23 or demonstrated that a gas pipeline is necessary, we
24 would urge the implementation of the following recommenda-
25 tions:

26 1. That a land use plan be developed for the region
27 under consideration before construction of any pipeline,
28 gas processing plants, or other developments are
29 permitted in the Mackenzie Valley, Mackenzie Delta,
30 northern Yukon and Beaufort Sea regions. Such a land

R. Johnson

1 use plan should incorporate land claim settlements
2 agreed to in advance of any development between the
3 native people and the Federal Government. It would
4 designate areas best suited for various kinds of
5 development and those best suited for the preservation
6 of existing ecosystems or natural landscape units.

7 We consider such a land use
8 plan vital in order to avoid the same mistakes in the
9 north which were made a hundred years or more ago here
10 in the west. In the west, explorers, settlers and
11 railway interests perceived the prairies as a vast,
12 unending and inexhaustible area. Bison grazed. Indians
13 hunted. The prairies bloomed and the migrating passenger
14 pigeons darkened the skies. Now, the passenger pigeon
15 is extinct. Bison occur only in small captive herds
16 and most of the prairie has disappeared under the plow.

17 Canada still does not have
18 a grasslands national park or preserve. Even if one
19 is now established, it will contain only marginal
20 remnants, not the miles of rolling prairie once found
21 in the west. As it was with the west, the north now
22 too is seen as a vast, unending and inexhaustible area.
23 Our society hopes that we as a people have finally
24 learned from the past. We at least are no longer
25 willing to settle for a captive herd of caribou and
26 a tamed flock of snow geese in the Assiniboine zoo
27 as our legacy from the north.

28 We want healthy areas set
29 aside, of sufficient size to contain each of the major
30 northern landscape units with self-sustaining populations

K. Johnson

of their plant and animal communities. Such areas must be inviolate. No development must be allowed.

The areas to be affected by the proposed gas pipeline are unique in the diversity of northern plant and animal communities which they contain. Rather than see intensive development of this area, we recommend instead protected status for the northern Yukon and much of the Mackenzie Delta.

2. We recommend that if a gas pipeline is built, it not be the sole determinant of an energy transportation corridor across the northern Yukon and Mackenzie Delta. We understand that, at this point, your terms of reference include that proposal.

Evidence for and against the construction of a gas pipeline has been presented to this Commission in exhaustive detail. While a case can be made for the necessity of a gas pipeline, most testimony has opposed the broader energy transportation corridor. If construction of a gas pipeline route will set such a potential oil pipeline road and so on, route, we are vehemently against this construction.

The gas pipeline could only be acceptable to our society if it does not determine such a wide corridor. In order to ensure that it will not do so, we would want a commitment to this effect from the Federal Government and we would want the remainder of the area closed to any further development and zoned as an inviolate area in the land use plan.

3. We recommend that if a gas pipeline is built, the strictest environmental standards be drafted

K. Johnson
N.L. Coglín

1 and enforced during its construction.

2 The Commission has heard
3 detailed testimony regarding specific recommendations
4 for achieving environmental protection and for regulating
5 pipeline construction. We as a society lack the
6 resources and knowledge for making such detailed
7 evaluations and suggestions but we wish to urge that
8 the strictest standards are drafted and enforced.

9 Construction must not be
10 permitted until effective project controls and contingency
11 plans are available and until there is an effective
12 mechanism, a Control Board, to enforce them.

13 In conclusion, we would like
14 to congratulate the Federal Government for setting a
15 new standard in public involvement and participation
16 in the decision on a major issue, one which will affect
17 the entire country, not just the north. We hope that
18 the government has learned from these hearings and that
19 similar public participation will be encouraged in
20 decisions on other such major issues affecting the land
21 and people of Canada.

22 Thank you.

23 (SUBMISSION OF MANITOBA NATURALISTS SOCIETY MARKED
24 EXHIBIT C-406)

25 (WITNESS ASIDE)

26 MR. WADDELL: Mr. Commissioner,
27 the next brief is from the Winnipeg Chamber of Commerce
28 to be presented by Mr. Norman L. Coglán. It's Mr.
29 Coglán, sir.

30 NORMAN L. COGLAN, sworn;

N. L. Cogan

THE WITNESS: Mr. Justice

Berger, as the newly elected president of the Winnipeg Chamber of Commerce, I welcome this opportunity to appear before the Mackenzie Valley Pipeline Inquiry and just as a comment, this submission has been approved by the Winnipeg Chamber of Commerce 30-member governing council who are elected to represent the some 3,000 members of the Winnipeg Chamber of Commerce and are elected in essence to approve policy of the Winnipeg Chamber of Commerce. So, it is in that light that I present this submission.

The Winnipeg Chamber of Commerce is an association of 3,054 members representing 1,236 firms that is broadly representative of the business and professional communities of the City of Winnipeg. Of these 1,236 member firms, slightly over 90 percent of them employ less than 100 individuals. The Chamber has, over the years, sought to promote the common good of the citizen of Winnipeg, in particular, and of Manitoba and Canada in general.

It is not always totally concerned with just the practical aspects of the situation since it is made up of individuals who feel a responsibility to address themselves to those concerns which affect the citizens of this community and the province in which it is situated.

In light of its representative background, the Winnipeg Chamber of Commerce welcomes this opportunity to appear before your Inquiry which has been given a mandate by the Government of Canada to

N. L. Cogan

bring out various viewpoints of concerned parties with respect to the social, environmental and economic impact regionally of the construction, operation and subsequent abandonment of the proposed pipeline in the Yukon and the Northwest Territories, as well as to inquire and to the report upon the terms and conditions that should be imposed in respect to any right-of-way that might be granted across Crown lands for the purpose of the proposed Mackenzie Valley Pipeline.

The City of Winnipeg is a large user of natural gas for domestic, commercial and industrial purposes. Although this province is fortunate in that it is well endowed with rivers that provide excellent hydro generating sites, hydro-electric power only provides 18 percent of our energy needs. The balance of our energy demand is supplied by coal, natural gas and oil, most of which is imported into the province.

Manitoba has no coal or gas resources and only a small declining production of oil. Our supply of oil and natural gas which comprises 50 percent and 30 percent respectively of Manitoba's energy requirements is therefore dependent on the dwindling supplies of the western Canada Basin.

In spite of continued development of our remaining hydro sites, the consideration of a nuclear electrical generating program as well as examination of other areas of new technology, projections of energy demand indicate that Manitoba will still be dependent on petroleum for approximately 50 percent of

N. L. Cogan

its energy needs by 1990 because of the inability of hydro generated electricity to meet that demand and because of the long lead time needed to develop nuclear generated electricity.

The dependency of the city on natural gas was brought sharply into focus in 1974 when Winnipeg suffered a temporary curtailment of additional natural gas supply. House-building programs were disrupted, commercial projects delayed, and industry was required to switch to alternate fuels at substantial cost. While industry is receiving some natural gas supplies there is still not an adequate supply to provide for sustained commercial growth. At the present time, there is not a shortage of natural gas which would seriously affect new housing construction. However, it is not possible to forecast the extent to which this area will ultimately be affected.

All levels of government and many sectors of the community such as the Winnipeg Charter of Commerce are working on long-range planning a secure, usable supply of energy as an integral part of any planning process and this, in turn, bears directly upon the ability to create the new jobs over the next 15 years that are necessary to absorb those entering the work force for the first time.

It is clear from the recent study by the Federal Government entitled "An Energy Strategy for Canada", that this country is approaching a crisis of supply in the foreseeable future and that by 1990, new technology such as solar energy or tide

N. L. Coglan

generated power would add up to only one percent of the total primary energy demand of this country. Without the ability to tap the substantial supplies from Canada's frontier areas, the economic impact of such a situation, in our view, would be critical for the country, certainly for Manitoba and Winnipeg, and an energy weak south would ultimately affect the people of the north who, in many ways, are dependent upon a healthy economy in the rest of Canada.

The Winnipeg Chamber of Commerce therefore hopes that this Committee will recommend the construction of a gas pipeline that will ensure security of supply of the most economical gas possible and in the earliest delivery possible, that all due consideration be given to the problems of the northern people in those territories this development takes place by protecting their way of life to as great a degree as possible. We hope that the well-being of 23 million Canadians will be carefully considered when seeking to protect the interests of approximately 31,000 people living in northern areas.

Recognition should be given to the fact that no development ever takes place without some modification of the environment. In this decision as well as others, there must be a way to achieve a proper balance between environmental change and the overall economic advantage to all Canadians.

The Winnipeg Chamber of Commerce wishes to thank your Inquiry, sir, for the opportunity to present these opinions today. Thank you.

N. L. Cogan
S. Kuehn

THE COMMISSIONER: Thank you

very much sir.

(SUBMISSION OF THE WINNIPEG CHAMBER OF COMMERCE

MARKED EXHIBIT C-407)

(WITNESS ASIDE)

MR. WADDELL: The next brief,
Mr. Commissioner, is from Mr. Siegfried Kuehn. That's
spelled K-u-e-h-n.

SIEGFRIED KUEHN, sworn;

THE WITNESS: It's a privilege
to appear before you, Mr. Commissioner. Mr. Commissioner
members of the Inquiry, ladies and gentlemen, my name
is Siegfried Kuehn and I am here today not as a
representative of any specific interest group but as
one Canadian citizen who is concerned with the pipeline
proposals and with the nature and pace of northern
development.

My remarks will be brief as
you have had so many words already. I speak not as an
instant
/northerner but as the southern Canadian I am. Some
points raised may not strictly fall within the
Inquiry's terms of reference but I believe are
necessary as a backdrop to the issues. Raising the
consciousness of the issues in the minds of southerners
is one very vital function of the southern swing your
Inquiry has undertaken.

In the early part of this
year, as my interest in these issues grew, I found that
information presented in a balanced and coherent
fashion was difficult to come by. Much that was coming

S. Kuehn

out of the press and media was in the realm of the news release and what could be termed "propaganda". Too few were the times when facts were related and issues placed in larger perspective. I therefore decided to see for myself and in March and April, spent a month travelling in the Yukon and the Northwest Territories. I spoke with as many people as possible and was able to sit in on several sessions of your Inquiry in Yellowknife, specifically those hearings concerning the cross-delta pipeline route.

This brings us to consideration of environmental impacts, none of which I venture to say will be beneficial. Even with present levels of activity, wildlife patterns have been disrupted. The integrity of the individual environmental experts is not questioned. However, they did appear locked into a particular industry perspective. I am concerned that their function was to pacify opposing opinion and to provide a public relations offensive.

These developments in pipeline projects are after all not undertaken primarily for social benefit ^{out} or/ of concern for the husbandry of resources and wildlife but for private profit. So often did the experts dodge behind their narrow terms of reference and refuse to make obvious inferences. What difference after all is there between 40 percent and 60 percent disruption of a migratory or breeding pattern? The difference of course is 20 percent but it is the fact of disruption which remains and which is vital.

The gas pipelines and other

S. Kuehn

elements of the transportation corridor will alter the face of the Mackenzie Valley. The Environment Protection Board, however, has expressed concern about cumulative effects of development and finds many aspects of the proposals unacceptable. The Board recommended a ten year monitoring period to assess the first line before subsequent development. It also urged comprehensive land use and game management plans and regulations before development and then an independent monitoring group to ensure compliance.

Mr. Carson Templeton of the Board is from Winnipeg and if he is present, he may wish to comment later, and Mr. Tempelton is present.

At any rate, the environmental impact must be thoroughly assessed and we must ensure that environmental and social costs are not assumed solely by society while profits go to private interests and are then transferred to whatever foreign corporate head office is involved.

The economic impact of such large-scale projects on Canada, both north and south, is difficult to assess beforehand but again it would appear safe to say that the disruption would be considerable. From the northerner's point of view, the effects would be immediate and plain to see. Further integration into the wage economy for original peoples would result and most would disagree with Mayor Sykes of Calgary that this is desirable.

Both northern native and northern white will get onto the see-saw of the boom -

S. Kuehn

1 bust cycle and be caught up in the whirlwind of
2 hyper growth. For an example of the instability
3 this sort of forced growth can foster, one need only
4 look at the economy of Alberta and the City of Fort
5 McMurray. Housing costs have sky-rocketed and below
6 the surface gloss one senses serious structural weaknesses.
7 Though it may go against conventional wisdom, I predict
8 Albertans will shortly be in for many surprises.

9 For the southern Canadian
10 the effects are more subtle but I suggest no less
11 disruptive. The Arctic Gas proposal would tie us into
12 the straight-jacket of a continental energy policy
13 at a time when many Canadians are questioning the
14 wisdom of such a policy. Existing proven reserves are
15 between five and six trillion cubic feet in the
16 Mackenzie Basin and yet the National Energy Board
17 has allowed the contracting of upwards of ten trillion
18 cubic feet to our southern neighbors. Exactly for
19 whom is this pipeline to be built?

20 It would seem that the NEB
21 has consistently traded away our bargaining position --
22 any bargaining position we might have had with respect
23 to our own natural resources. It is difficult not to
24 believe that either the NEB was tragically inept or
25 that figures provided to it by industry were deliberately
26 misleading.

27 One other conclusion might
28 be that industry expertise is not what we have been
29 led to believe. Whatever the true situation is, it
30 is amazing that the media and press have not seen fit to

S. Kuehn

pursue this matter more vigorously and to turn over some stones.

At a time when it is the stated government aim to control inflation and when working Canadians are asked to restrain their demands on the economy, the benefits of such a multi-billion dollar spree are dubious. A likely result would be that Canadians would be subject to a further inflation spiral and erosion of spending power. Interest rates and the cost of essentials such as housing would be sure to inflate as the result of large scale demands on our capital markets.

Mr. Commissioner, you at one point quoted F. R. Scott (and that's Robert Falcon Scott I believe) as saying about the north:

"An arena large as Europe, silent, awaiting the contest."

I would like to quote to you a paragraph from a story by Jack London written in 1902 entitled, "The League of Old Men".

"The white men come as a breath of death, all their ways lead to death, their nostrils are filled with it and ^{yet} they do not die. There is the whiskey and tobacco and short-haired dogs. There is the many sicknesses; the smallpox and measles, the coughing and mouth bleeding. There is the white skin and softness to the frost and storm and there is the pistols that shoot six times very swiftly and are worthless. Yet they grow fat on their many ills and prosper and lay a heavy

S. Kuehn

hand over the world and tread mightily upon its peoples, and their women too are soft as little babes, most breakable and never broken, the mothers of men. Out of all this softness and sickness and weakness, comes strength and power and authority. They be gods or devils as the case may be. I do not know."

Mr. Commissioner, the Inuit, Metis and Indians of the Territories have made their position quite clear. No land claims settlement, no pipeline. If this position poses a problem for the Department of Indian Affairs and Northern Development, I could only urge that they begin to negotiate in good faith and leave off the inflammatory rhetoric and confrontation tactics.

As far as the native groups are concerned, their bargaining positions may well be stronger than we presently know. There have recently been rumors of internal Justice Department memos to government suggesting that it may not be in as strong a position as it believes regarding northern sovereignty and the constitutionality of its presence in the north.

I am here thinking also of the work of Mr. Bill Smith of Old Crow, Yukon Territory and the matters presently before the Courts on behalf of wife, Tabetha Smith.

Native groups would be well advised not to hurry settlement if it appears that it is not to be in their interests to be rushed.

My comments have all been very

C. Kuehn

general so I would like to outline what I consider some minimum conditions for any proposed pipeline and/or transportation corridor construction.

1. That land claims of northern natives be settled to their satisfaction.
2. Public control of any pipeline or related projects.
3. Development only as part of a general and comprehensive energy policy which gives equal weight to the urgent need for conservation and the development of alternate energy sources.
4. Accurate identification of Canadian energy needs and if necessary, the repatriation of energy supplies already contracted.
5. The satisfactory development of ways and means to reduce potentially harmful environmental consequences.

Mr. Commissioner, your Inquiry provides a focus for many opposing points of view and for many varied philosophies. Emotions run high. Compromise is often difficult. The stakes are high and I am not referring to dollars and profits. This may be the last chance we have to deal honorably with the peoples of the north. This may be the last chance we have to consider the consequences of unchecked and careless development policies. This may be the last chance ^{we have} to determine the path that we wish to take as one nation, independent both culturally and economically.

The Honorable Hugh Falkner, in a speech given here in Winnipeg last week on the disrepair of our national identity and lack of cultural self-knowledge stated:

S. Kuehn
R.F. Hill

"I challenge each of you to start a private inquiry.
If we in government are to govern we need to know
your mind in this matter."

Mr. Commissioner, I do not
feel it an exaggeration to say that your Inquiry has
given Canada a breather, a chance to decide and to
make its mind known. We wish courage to you and wisdom
as you prepare your report. We trust also that the
Canadian Government will make its decision wisely and
only when all information is available to it and if
I might add to the submitted brief, I am surprised
that the Province of Manitoba did not see fit to
present its position with regard to this pipeline.

The Polar Gas group, which
would at some future date access the Arctic Islands
reserves, has considered a pipeline route down the
Boothia Peninsula and through Manitoba's north to
southern markets. Surely many issues and concerns
are identical. It's difficult indeed to believe that
the Provincial Government has no ideas or plans regarding
this possibility. This again might be something the
local press has an interest in pursuing.

Respectfully submitted, thank
you.

THE COMMISSIONER: Thank you.

(SUBMISSION OF SIEGFRIED KUEHN MARKED EXHIBIT C-408)

(WITNESS ASIDE)

MR. WADDELL: Is Mr. Hill here
from Dominion Malting Limited? Dominion Malting?

R. F. HILL, sworn;

P. F. Hill

1 THE WITNESS: Mr. Commissioner,
2 I have come to present a very short brief on behalf
3 of my employer, Dominion Malting Company Limited. This is
4 one company in Canada who is a manufacturer.

5 Dominion Malting Limited is
6 a Canadian owned company engaged in the processing of
7 over five million bushels of western Canadian barley
8 annually. In order to maintain the existing level of
9 our operations, we require the equivalent of 400 million
10 cubic feet of natural gas per year. This gas is supplied
11 by the Greater Winnipeg Gas Company on an interruptible
12 basis, with propane gas used as a standby fuel.

13 Our company began a forced age
14 expansion program in 1972 but the viability of
15 continued and expanded operations requires continuing
16 fuel supplies. For our purposes, natural gas is the
17 most suitable fuel.

18 We are not in a position to
19 comment specifically on the impact of a gas pipeline
20 on the Yukon and Northwest Territories but we believe
21 that these northern areas will suffer along with the
22 remainder of the country if this fuel is not made
23 available to continue and to increase the processing
24 of grain and other manufacturing activities in Canada.

25 (SUBMISSION OF DOMINION MALTING LIMITED - R. F.

26 HILL - MARKED EXHIBIT C-409)

27 (WITNESS ASIDE)

28 MR. WADDELL: Mr. Commissioner,
29 I would call now the brief from Bestlands Group
30 Limited, Jack Willis, the general manager.

J. Willis

JACK WILLIS, sworn;

THE WITNESS: Mr. Commissioner,

I wish first to thank you for the privilege of appearing before you today. The brief I have is very short and may say it is not our intention to comment as to the social, economical or environmental aspects of the proposed pipeline except as it affects our company.

Bestlands Investments Limited has been developing real estate in and around Winnipeg for the last several years. The company has completed two high-rise apartment blocks and office tower in downtown Winnipeg. Our growth and plans have been restricted for expansion purposes owing to the inability of the Greater Winnipeg Gas Company to commit themselves about the initial and continued supply of natural gas for our projects.

To give you some specific examples of our problems we would like to submit that the gas supply for the Bestlands building, 191 Pioneer, was refused originally and was not committed until the commencement of the piling for the building. It is very expensive to plan alternate mechanical systems for different kinds of fuel and sources of energy.

We are the co-developers along with the Markfor Properties Limited for a centennial garden project, an integrated development with office buildings, residential apartments, retail and commercial hotel and parking facilities. The project is located on a six acre site north of Ellis Avenue between Balmoral and Kennedy Street. In October, 1974,

J. Willis

we approached the Greater Winnipeg Gas Company for a commitment to supply natural gas for the project.

Until today, the Greater Winnipeg Gas Company had not been able to make such a commitment. Their inability to do so has been a factor in delaying the commencement of the project.

To highlight the impact of the lack of availability of natural gas, we would bring to your attention another instance where the company had decided to diversify its operations. We explored the possibility of setting up a dinnerware manufacturing plant in Winnipeg. Extensive market and technical feasibility studies were undertaken in cooperation with the Manitoba Department of Industry and Commerce and the results were favorable. However, the whole project had to be abandoned because of the ^{non-}availability of natural gas.

We believe that the lack of an adequate and continuing supply natural gas is restricting the growth of the province and is causing industry to locate elsewhere.

We wish this Inquiry success, sir. We hope that it will be able to make recommendations which will enable the Government of Canada to take steps which will augment the present supply thus assuring a continued availability of natural gas on a long-term basis.

Respectfully submitted.

(SUBMISSION OF BESTLANDS GROUP LIMITED - J. WILLIS

- MARKED EXHIBIT C-410)

(WITNESS ASIDE)

at this point I am going to call an additional brief that we have had and it's from the Easterville -- it's called the Easterville brief and I wonder if the presenter of that brief could come forward? Perhaps they are not available at the moment Mr. Commissioner.

ALLEN LANSDOWN, sworn;

Mr. Commissioner. The Manitoba Environmental Council, an advisory organization to the Manitoba Minister of Mines, Resources and Environmental Management and I as its past chairman are grateful to have the opportunity to present our views today on the subject of the construction of the Mackenzie Valley Gas Pipeline and more generally on the ramifications of oil and gas exploration and development in Canada's north. '

The Manitoba Environmental Council, as I mentioned, is an advisory citizen's organization to the honorable Sidney Greene, Minister of Mines, Resources and Environmental Management. For the purpose of identifying, collecting and presenting information on environmental issues, problems and

A. Lansdown

1 priorities, is is a legally constituted body under the
2 Clean Environment Act and has clear authority to react
3 or respond on any matter concerning the environment.

4 In addition to its advisory
5 role, the council has a public role. Under the
6 auspices of this public role, the Council has conducted
7 seminars on many topics ranging from population to
8 nuclear energy to rural land use. It has published
9 a number of studies on a variety of topics and has
10 presented briefs to inquiries, commissions and hearings
11 both in the United States and Canada.

12 Members of the council are
13 appointed by the Minister and are drawn from various
14 sectors of the province of Manitoba, both rural and
15 urban. The council's membership currently is 82. 44
16 are individual members and there is one member each from
17 38 organizations. There is a great number of disciplines
18 represented in these citizens on the Council which are
19 mentioned in the brief.

20 The Manitoba Environmental
21 Council is concerned about the cumulative effects of
22 northern petroleum exploration and development on Canada's
23 energy policies. We recognize that your terms of
24 reference are to examine the environmental, economic
25 and social consequences of the proposed pipeline and
26 associated developments on the Yukon and Northwest
27 Territories but in our view these are closely related
28 to Canada's energy policies.

29 It is our view that Canadian
30 energy policy should be directed more toward the

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conservation of energy and the development of alternative renewable forms of energy such as solar, wind and bio-mass than toward increasing exploration and development of frontier petroleum resources, particularly in the north. We are concerned that if petroleum exploration and development is given high priority by the Canadian Government and if vast quantities of money are channeled toward a multi-dollar billion dollar project such as the Mackenzie Valley Gas Pipeline, in the short term there may be a shortage of investment dollars and expertise for research and development programs aimed at reducing energy demand and substituting the use of renewable energy sources of the use of petroleum.

I might mention here for example a possibility such as trading, spillage energy in Manitoba during the summer for gas now being burned in Alberta for the production of electricity as one of these sorts of things among many.

Thus, we may be contributing toward the consumption - exploration cycle rather than making a real attempt toward reversing the direction of traditional energy policies in Canada. We deem the next decade to be a critical one, one in which we should make a concentrated effort toward reducing our energy demand. We believe that our existing conventional natural gas reserves if properly managed will be sufficient for at least this ten year period. Recent National Energy Board estimates place conventional proven gas reserves at about 53 trillion cubic feet compared to the current domestic consumption of about 1.3

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trillion cubic feet per year. I am taking figures from the "Science Council 1975 Study". This gives a life index of somewhere around 40 years.

This indicates to us that we really have time as an ally, time in which to change the emphasis from exploration and development of frontier gas resources to the development of conservation and alternate energy programs. We would like to make it clear that we are not advocating a complete curtailment of frontier exploration and development. Rather, we are urging a shift in emphasis in Canadian energy policy toward reducing energy demand. A shift, which in our view, should become more viable as the rate of exploration and development of frontier petroleum resources is slowed down.

I think many of us here are aware of the consequences of scrambling in large technological projects in this country. Haste is not an ally to viable solutions when we are dealing with billions of dollars.

There is another pervasive reason for deferring construction of ^{the} Mackenzie Valley Pipeline. There are presently insufficient gas reserves in the Mackenzie Delta to justify in a Canadian context the construction of a Mackenzie Pipeline. Recent estimates place proven reserves in the delta at three trillion cubic feet and probable reserves at 6.5 trillion cubic feet, far from the minimum threshold necessary to justify the pipeline. Yet the Canadian Government is facing strong pressures to make a quick

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1 decision on this issue , pressures that in our opinion
2 are being applied by U.S. petroleum interests who are
3 anxious to move Alaska gas through Canada.

4 We believe a compromise can be
5 reached in this issue, a compromise that would allow
6 Canada to exploit the gas reserves in the Mackenzie
7 Delta if and when it is ready and also allow transporta-
8 tion of Alaskan gas southwards along the route which
9 would have less impact than the prime route being
10 proposed by the Canadian Arctic Gas Pipeline Limited.
11 While we are not in a position to recommend how Alaskan
12 gas should be transported to southern U.S. markets,
13 one route which we feel should be more closely
14 examined is the Fairbanks corridor, a corridor which
15 parallels the Trans-Alaska Oil Pipeline in Alaska and
16 then follows the Alaska highway through the Yukon.

17 The Fairbanks corridor would
18 avoid the environmentally and socially sensitive areas
19 along the northern Yukon coastal plain, the Old Crow
20 flats area, the Mackenzie Delta and the Mackenzie
21 Valley. Testimony before the Inquiry has indicated
22 the Fairbanks corridor would be less damaging to the
23 porcupine caribou herd, mention of which was made
24 earlier and that it would pass through an area where
25 wildlife has already been disturbed and had adapted
26 to disturbances, that it offers the least threat to
27 archaeological resources and that it would not cross
28 areas in dispute due to the lack of native land claims --
29 or due to the native land claims issues. Or at least
30 those areas where the level of these claims is the same

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in intensity as the Mackenzie Valley route.

In addition, the State of Alaska, in testimony before this Inquiry has gone on record as favoring the Fairbanks route as it would result in preserving the North Slope as a wildlife area and would make maximum use of already disturbed transportation corridors.

The Manitoba Environmental Council concurs with this preliminary evidence which indicates the Fairbanks seems to have less environmental and social impacts than the prime route proposed. We therefore recommend that no Alaskan gas be transported through Canada via a corridor through either the Yukon coastal plain, the Old Crow flats, the Mackenzie Delta or the Mackenzie Valley. Further, we recommend that the Fairbanks corridor and other alternative routes for the transportation of Alaskan gas southward, be comprehensively studied.

If Canada determines that Mackenzie Delta gas is needed at some point in the future after substantial efforts have been made to reduce energy consumption and develop alternative energy resources, and if there are sufficient gas reserves in the Mackenzie Delta to justify transportation of this gas, then a pipeline could be built to bring Mackenzie Delta gas to southern markets. At that time, the decision could be made after^a comprehensive evaluation of alternatives, whether this gas should be transported via an all Canadian Mackenzie Valley Pipeline or whether a lateral should be built from the delta to link with

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the pipeline carrying Alaskan gas south.

In summary, the Manitoba Environmental Council recommends that a pipeline to transport Mackenzie Delta gas to southern Canadian markets be deferred until that gas is required in southern Canada and until the threshold level of proven reserves has been discovered in the delta. Further, we recommend that if this pipeline is eventually given approval, it should be built according to the conditions specified in the remainder of our submission.

The next part on socio-economic implications. The exploration, development and transportation of Mackenzie Delta gas will have a significant socio-economic consequence for the Yukon and the Northwest Territories. Here is a summary of our concerns in this regard.

1. Since native peoples of the Northwest Territory are presently seeking to establish their claims on lands they have traditionally inhabited, the question of native land claims should be settled to the satisfaction of both native groups and the Canadian Government before pipeline developments proceed in those lands under contention. To do otherwise would, in all likelihood result in bitterness and conflict and would perpetuate traditional southern policies and attitudes toward northern peoples and resources.

The Manitoba Environmental Council therefore recommends that the land claims of the Dene and Inuit of the Northwest Territories be settled to the satisfaction of both native groups and the Canadian

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Government before any pipeline developments proceed in those lands under contention.

2. The western Arctic is currently experiencing an unprecedented increase in on-going and proposed land use activities including transportation corridors, pipeline corridors, petroleum exploration activities and development of service facilities such as airstrips and communication sites. Many of these activities are or will be in conflict with native people's traditional hunting, trapping and fishing areas and with areas that should be set aside as wilderness areas, ecological reserves and parks.

This points to the urgent need for the initiation of a comprehensive land use planning process in the western Arctic and for the completion of a land use plan before any pipeline development proceeds.

The Manitoba Environmental Council therefore recommends that a land use plan for the western Arctic be completed before any pipeline development proceeds.

3. The development of^a pipeline and its associated support services will increase the inflow of labor from the south. Although a considerable part of this inflow of labor will be controlled by the pipeline companies, there will be others attracted by high wages. This inflow of labor will inevitably lead to adverse social consequences in northern communities and will contribute to local inflation in these communities, consequences which can be anticipated by examining the effect of

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Alaska's communities -- on Alaska's communities caused by the construction of the TransAlaska Oil Pipeline.

In the longer term this influx of southern workers may result in changes in the ethnic mixture with the proportion of non-natives becoming larger. I needn't remind you, sir, of the situation in the Alberta Oil Sands area already alluded to by Mr. Kuehn where wages of the in-group are so high and prices so high that the out-group, mostly native or Metis, are put in effect in double jeopardy.

The expansion of opportunities for wage employment will inevitably lead to significant increases in the proportion of local incomes of residents of the Territories being generated by wages. This will cause lifestyle changes which could result in some small communities experiencing decreases in population and a deteriorating quality of life. It will also accelerate the decline of traditional activities, hunting, trapping and fishing which have already declined during recent decades.

Since pipeline and related activities will provide for cash availability, trapping may be more strongly affected than other traditional activities because its main rationale is the acquisition of income. Hunting and fishing may continue to be important much longer than trapping.

5. Pipeline development and the resultant increase in oil and gas exploration activities may damage habitats of highly sensitive northern ecosystems where many natives support their lifestyle and cultures and obtain physical

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sustenance from the land and the sea. A recent example of an activity which concerns us is the decision by the Canadian Government to allow Dome Petroleum to conduct offshore drilling in the Beaufort Sea.

To paraphrase testimony given to this Inquiry at the Old Crow community hearings, we can only concur with the view that:

"If the natives sincerely believe that development will adversely affect their land and thus their lifestyles, then for all intents and purposes, it will."

Environmental implications.

In our opinion, the major environmental implications of the proposed pipeline will not result from the environmental effects of the pipeline itself. A comment was made on this earlier, but rather from its role as the first step in what we whites called "northern development", development that may well have severe consequences in terms of both short and long-term destruction or alteration of the northern environment.

However, in our testimony today I would like to summarize our environmental concerns in terms of the pipeline development.

1. The detrimental effects on terrain may include such factors as slope instability, ground subsidence, frost heave and drainage disruption..
2. Vegetation will be destroyed for the pipeline right-of-way, compressor stations, borrow sites, etc. In addition, pipeline development may increase the potential for forest fires.

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3. Ecological reserves such as the International Biological Program sites may be disrupted and archaeological resources may be destroyed.

The latter is particularly serious unless the opportunity for archaeological surveys and research is utilized and unless an adequate archaeological salvage plan is implemented.

4. Effects on key species of mammals such as grizzly bear, wolverine, Polar bear, whale, wolf and muskox may occur in areas in close proximity to the pipeline, Also effects on the porcupine and bluenose caribou herds may occur, depending on which of the proposed or alternate pipeline routes is chosen.

5. Effects of bird populations may occur due to habitat destruction, pollution and direct mortality. The pipeline could disrupt the staging and nesting of swans, geese and ducks along the route.

6. Anticipated impacts of the pipeline on fish and fish habitats include such factors as increased human access to fishing sites; for example, ^{an} increase in sports fishing; increased siltation, reduced oxygen levels and the possible addition of toxic chemicals to fish habitats.

7. The above environmental impacts of the pipeline will be reduced if strict environmental controls are enforced on all construction activities. These controls should include the strict enforcement of existing environmental legislation, the formulation and strict enforcement of an environmental code placing restrictions and prohibitions on certain project activities and the

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designation of a structure so that government agencies can effectively monitor, supervise and control all pipeline development activities.

The Manitoba Environmental Council therefore recommends that an environmental code be formulated before pipeline development proceeds. Further, we recommend that a mechanism be established to affect, monitor, supervise and control all pipeline development activities and to strictly enforce the existing environmental legislation and an environmental code.

A summary of our recommendations concludes our submission. The Manitoba Environmental Council recommends that:

1. No Alaska gas be transported through Canada via a corridor either -- through either the Yukon coastal plain, the Old Crow flats, the Mackenzie Delta or the Mackenzie Valley.
2. A Fairbanks corridor and other alternate routes for the transportation of Alaska gas southward be comprehensively studied.
3. A pipeline to transport Mackenzie Delta gas to southern Canadian markets be deferred until that gas is required in southern Canada and until the threshold level of proven reserves have been discovered in the delta.
4. If this pipeline is eventually given approval, it should be built according to the followings conditions:
 - A. The land claims of the Dene and Inuit should be settled to the satisfaction of both native groups and the Canadian Government before any pipeline

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R. N. Roteliuk

developments proceed in those lands under contention
B. A land use plan for the western Arctic should
be completed before any pipeline development proceed
C. An environmental code should be formulated
before pipeline development proceeds, and,
D. A mechanism should be established to effectively
monitor, supervise and control all pipeline develop-
ment activities to strictly enforce existing
environmental legislation and an environmental
code.

Mr. Commissioner, just in
concluding a personal note, wouldn't it be a damn shame
if our grandchildren looked back on ^{us and} our decision saying,
"And in haste they tore up this land, its fauna, its
flora and its people for such niggardly reasons as a
few quick bucks and a relatively short burst of rather
frivolously consumed energy.

Thank you Mr. Chairman.

(SUBMISSION OF THE MANITOBA ENVIRONMENTAL COUNCIL -
A. LANSDOWN - MARKED EXHIBIT C-411)

(WITNESS ASIDE)

MR. WADDELL: The next brief,
sir, is from Central Plains Incorporated, the general
manager, Mr. R. N. Roteliuk. Mr. Roteliuk?

R. N. ROTELIUK, sworn;

THE WITNESS: Mr. Justice
Berger, on behalf of my Board, I wish to thank you for
the opportunity to present this brief.

Central Plains Incorporated
is a regional development corporation founded cooperative

R. N. Roteliuk

1 by municipalities in the central plains region which is
2 located to the west of Winnipeg and which includes the
3 City of Portage La Prairie. We are attending this
4 hearing today as customers in the energy market.
5 Although we realize that your Inquiry has been establish-
6 ed basically to assess the social, environmental and
7 the economic impact on the construction and operation
8 of the Mackenzie Valley Pipeline in northern Canada,
9 we are ~~not~~ here to speak directly to these items.

10 We do not live in the north
11 and we do not have the resources to travel to the north
12 to investigate and assess these concerns for ourselves.
13 We therefore do not feel qualified to comment on these
14 areas.

15 We intend to comment on the
16 impact of this project on our region and our communit-
17 ies in southern Manitoba. To our area's 50,000
18 residents, the matter of the Mackenzie Valley Pipeline
19 is of a critical importance. Natural gas is an important
20 source of energy to the region and plays a very
21 significant role in the region's economy. It is vital
22 in the heating of homes and offices but it is even
23 more important to the major industries of the area
24 and to the continued growth of this region.

25 When we talk of industry in
26 our region, we are basically talking of one very
27 important industry to all of Canada, agriculture and
28 food production. The majority of the region's residents
are in some way connected with agriculture from growing
to processing. In recent years, the great potential

P. N. Roteliuk

of our region for supplying a wide variety of food products has been recognized and all efforts have been made to exploit this potential resource. The first step in this direction took place over twenty years ago with the location of the Campbell Soup Company.

Other major developments have taken place both in the region and adjacent to it since then and more are scheduled for the future. Changes are taking place in the region which will make the processing of agricultural products as important to the economic basis of the region tomorrow as is the growth of the crops today. However, this growth will not take place without a sufficient supply of natural gas energy.

Natural gas has been proven the most desirable form of energy in food production where efficiency and costs are an important consideration in keeping the cost of food products at a minimum. Unavailability of natural gas will mean the substitution of other less economic fuels which will add to the financial costs of production which in turn will be passed on to the food buyer.

In discussing the impact of the Mackenzie Valley Pipeline, let's talk briefly of attitudes. Recent indications of energy shortage have had a significant impact on the economy of the whole country. Talk of shortages has created a very negative attitude in the market place. With the quantities of gas held in reserve in northern Canada there is no need to speak of shortage. Any indication that these resources will become available will have a positive effect on the

R. N. Roteliuk
Sister F. Bonokoski

attitudes of investors and will ensure that these areas such as ours will not disappear because of lack of economic and social opportunities.

As we have indicated previously, we are not qualified to make comments and recommendations on the impact of the pipeline on northern Canada. We can only share in the concerns which have been expressed by northern Canadians and hope that these concerns can be satisfactorily resolved. At the same time, we hope that our concerns and our needs can be shared and appreciated in return.

Whether or not our communities will have enough energy to meet future needs will have a substantial impact on our future development and if the Mackenzie Valley Pipeline will ensure future Canadians a supply of energy secure from foreign political and economical influence, then it must be developed.

I thank you.

(SUBMISSION OF THE CENTRAL PLAINS INCORPORATED - R.
N. ROTELIUK - MARKED EXHIBIT C-412)

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner, I ask if Sister Frances Bonokoski is here. Is she still here? Mr. Commissioner, she is on the list to appear tonight, 24th on our list and she can't appear so I am going to ask her if she would give her brief now.

SISTER FRANCES BONOKOSKI, sworn;

THE WITNESS: Mr. Commissioner,

Sister F. Bonokoski

1 I thank you for this opportunity of being able to
2 express our support for your Inquiry and the work you
3 are doing in terms of the proposed Mackenzie Valley
4 Natural Gas Pipeline.

5 Our concern about the northern
6 development includes the situation in Manitoba and the
7 way large scale development marches forward without
8 any just settlement of land claims or prior consultation
9 with the native people.

10 The Lake Winnipeg-Churchill-
11 Nelson River hydro-electric project which intends to
12 use these waterways more efficiently to harness the
13 maximum hydro-electric potential by diverting the
14 Churchill River into the Nelson is flooding out
15 communities without prior land settlement being reached.
16 As Manitobans in the south, we question the immediacy
17 of the need for hydro-development just as we question
18 the immediate development of the oil fields in the
19 Mackenzie Delta.

20 It is for this reason that we
21 strongly urge governments, both Federal and Provincial,
22 to halt all major resource development in the north, and
23 listen. Listen to the people, Canadians in the south as
24 well as in the north. Our concern is the same as that
25 expressed by the Canadian Catholic Conference of Bishops
26 in their Labor Day Message of 1975 entitled "Northern
27 Development: At What Cost?"

28 We ask to be able to act:
29 "In solidarity with the native peoples of the
30 north in a common search for more creative ways of

Sister F. Bonokoski

developing the last frontier of this country."

This cannot happen unless public discussions, land settlements, participation of native people and environmental considerations are made before projects like the Mackenzie Valley Pipeline are carried out.

Mr. Commissioner, we also share in the church's concern for all of life -- people, wildlife and the ecological balance of nature which sustains that life. The native peoples of the north have always had a deep respect for Mother Earth and perhaps we have much to learn from them about stewardship of resources. We support the creative activities of northern people engaged in the struggles of northern development.

Lastly Mr. Commissioner, we question the value system that is at the base of the decisions about development in the north. The Canadian church is beginning to recognize its past mistakes and is not willing to bend to the social economic order of the day with its consumer profit oriented patterns. The question of social justice and the rights of people to participate in their own lives are coming into the consciousness of more people. We, as a body of sisters, are committed to re-examining our value system and lifestyles and support a change of social priorities among all Canadians according to gospel values.

The issue is more than a legal land claim. It is a moral issue and we cannot avoid it. We take this opportunity to pledge to stand

Sister F. Bonokoski

1 with the Dene and Inuit of the Mackenzie and with the
2 native peoples of northern Manitoba in their struggle
3 for justice.

4 Thank you, Mr. Commissioner, for
5 being open to hear our views.

6 (SUBMISSION OF THE CONGREGATION OF OUR LADY OF THE
7 MISSIONS - SISTER F. BONOKOSKI - MARKED EXHIBIT
8 C-413)

9 (WITNESS ASIDE)

10 MR. WADDELL: Mr. Commissioner.
11 We haven't taken a coffee break. We've tried to go
12 through as many of these briefs as possible and I think
13 with your indulgence we'll continue to 5 o'clock if
14 we might.

15 On the original list, there's
16 a Kenneth Emberly. I have a note from his that he's
17 working today and he can't come and he'd like to be on
18 this evening so we are going to put him on this evening.

19 I have some additional people
20 that have approached ^{me} to present briefs and I don't think
21 I can call all them now. I'll call a couple now and
22 maybe we can hear from the rest this evening if possible.
23 I'll call them in the order they approach

24 The first one is the U.N.
25 Association. Romy Turner? Well, then I would call --
26 is she here? Is Mrs. Turner here? I'd call then
27 John Mackenzie.

J. Mackenzie

JOHN MACKENZIE, sworn;

THE WITNESS: Honourable

Commissioner, I am honoured to be here this afternoon on behalf of my wife and children. I commend the Canadian government for its overt expression that justice needs to be done in the development of the north, particularly in planning the energy developments in the Mackenzie Valley Pipeline.

They have established a renowned person, such as yourself, to perceive these plans.

From what we have been hearing in the southern papers, what little news there is, that you've been making extra efforts to go to the more isolated north to hear local voices and this is commendable.

However, I'm frequently haunted by the people doing the right things for the wrong reasons, as well as what one does as what one says. It's very confusing to me and to many others to hear the Minister of Indian Affairs and Northern Development, the honoured Judd Buchanan, to be publicly acting contrary to the good faith expressed in the establishing of the hearings by the Federal Government.

Mr. Buchanan granted 68 drilling permits in the Northern Sea while your hearings were going on. It resulted in the people saying; how can the Federal Government do one thing and say another. That is why we have such a mistrust of governments

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1 today and of corporations. The discrepancies in their
2 words and their actions are becoming so obvious, when
3 the Honourable Judd Buchanan, Minister of Indian Affairs,
4 also spoke in such contempt for the northern natives
5 when they submitted their Dene Nation presentation.

6 Native people frequently use
7 the word 'forked tongue' to express such discrepancies.
8 Why is he attempting to undermine the good works that
9 you're proceeding to do. Mr. Berger, I ask you to exert
10 all powers to correct this injustice. I call you to
11 hear and to respond to what the northern native people
12 are saying. Let's not have our children and our child-
13 ren's children paying for the poor and ineffective plans
14 that responded to the grieves of the exploiters who
15 cared the least for the monster that they created.

16 Today the energy crisis in the
17 industrialized world is posing a serious problem on
18 people and resources in the north. Due to the vested
19 interests of the energy suppliers, the search for new
20 supplies of oil and gas on this continent largely
21 focus on the untapped energy resources in the
22 Canadian north. Exxon, Shell, Gulf, Mobile and SOHIO
23 are giants who call the shots, not only in the business
24 energy world, but also in the government back rooms.
25 They have, through their Canadian subsidiaries, led the
26 way in initiating plans to build a Mackenzie Valley
27 Pipeline in the north part of Canada, to bring the
28 natural gas from Alaska and the Canadian Arctic to
29 southern Canada and the United States, a polar gas
30 pipeline designed to bring natural gas from the high

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Arctic to the Maritimes and the U.S., and the Syncrude project to develop the Athabasca Tar Sands in northern Alberta.

The north is again the frontier. The crucial question in our history today is who will influence the decisions in northern development. It's how these northern energy resources are to be developed and by whom are they going to be developed and for whom. My concern that we have not learned from our past and our present exploitation patterns of development, wherein a powerful few end up controlling both people and resources, and all they are concerned about are the profits.

I do not want my children or my children's children to be haunted by the terrible miscarriage of justice for future industrial developments of Canadian north. I request that you exercise all in your power to stop industrial development in the north until the native land claims are settled.,

It is not a matter of stopping industrial development in the north from happening at all, because it's going to happen, but it's a matter of directing it; directing the developments to ensure that it responds to the views of the northern residents.

Canadians and Americans, as we are all aware, rank the highest users of energy in the world today. We have less than 6.5% of the world's population, however, yet we consume 43% of the energy supplies of this planet. This energy is used to produce and run countless numbers of machines to which we

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1 have become enslaved. Our system is placing exorbitant
2 demands on limited supplies of resources. Our society,
3 unfortunately, has the principle of maximum consumption
4 and profit and power. These same values operate on the
5 drive to gain control of northern energy resources.
6 These are the gods that result in turning man against
7 man to get what they want. We in Canada, as well as
8 Americans, will have to face the reality sooner or
9 later. Our planet is limited in resources. It's going
10 to be difficult for all of us to adjust to a new order,
11 yet that is what a small number of people are starting
12 to do.

13 We have to become responsible
14 citizens. Our government is the landowner of these
15 resources. They have to begin to exercise their res-
16 ponsibility. Let us realize the situation as it
17 presently exists. The effect of the past, let's
18 correct what needs to be corrected and proceed.
19 Honourable Mr. Berger, I call on you to provide advice
20 to correct these situations and I suggest some ideas.

21 I recommend to you that you do
22 not contribute to further the southern naivete but help
23 us confront the reality of our present lifestyle,
24 necessity to alter it, to respond to the future. We
25 have limited resources and we're presently however,
26 overusing them. I ask you, my family asks you, to
27 really hear what the native people are saying. Support
28 their request for just land settlement first. I ask
29 you to ensure that native people should be in control
30 of directing northern development, to ensure that

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northern resources are continued to be used for northern needs and the benefits of northern people, to provide an economic base for them and to ensure that the resources are used as well to establishing processing industries.

I request that you examine new structures and processes needed to design to maximum responding to the northern values, the northern views and to ensure maximum participation at all levels, to reverse colonialistic practises. I request that you proceed to set up and recommend adequate controls to regulate the extraction of energy resources from the north, ensuring their responding to these guidelines in achieving and meeting northern needs.

I ask you to be cautious and avoid being caught in a trap of accepting the principles and values of large exploiters. Their values and principles are based upon maximizing profit and power in the hands of a few and promoting maximum consumption of resources. I request that you examine the setting up of a percentage for hiring northern people in all positions of government and business, particularly at the managerial and middle management level and the values of northerners be in their management style and structures of these organizations, and that government and business proceed to set up their supports to achieve and ensure that this is done.

In closing, I would like to just tell you of a short trip I had to Houston in January. When I got on the plane in Minneapolis, I was placed in the first class, due to the fact that all seats

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were used in the economy section. Anyway, over dinner, I got to talk to a man across the aisle. He indicated he was coming from a place in Canada, up there in Ottawa. He was attending a hearing on oil and gas development for the north. He went on to say how naive people up in Canada were. He claimed that he knew where it was all at. He explained how he showed the panel where it was all at as well. He claimed that there's some radicals in the world today, are out to stop development and they'll never get anywhere because he and people like him are well organized. He went on to say his mother owned a southern slave and how delightful it was for him. I was getting sicker and sicker as he was speaking. Eventually, I stopped listening to him. Due to his attitude, I concluded that it would be impossible to talk to him.

I became sicker, however, when I realized he's the sort of person who's going to make the real policy in northern development. Unless someone is able to stop him and people like him.

Today, Mr. Berger, you're establishing history. I trust you will respond to the concerns that you hear to ensure that my grandchildren will not carry the shame of their forefathers. I thank you for hearing me.

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner, I think those are all the briefs we have time for this afternoon. I might say that I have received written briefs as additional briefs from the following people

1 this afternoon: from the Canadian University Service
2 Overseas, Winnipeg Committee, from Professor Brian Katz
3 at the University of Manitoba, from Jack McLaughlin
4 from Carman, Manitoba, from Joe Borowski, and from the
5 Winnipeg Economic Development Board. Now, I'll keep
6 these briefs and if we have time tonight, we can hear
7 these people. If they can't come back or we don't have
8 time, we have a big list tonight, Mr. Commissioner. We
9 have about fifteen briefs to hear. If we don't get a
10 chance to hear them, I will file these briefs with you
11 so you can read them.

12 THE COMMISSIONER: All right,
13 well, do of any of the participants wish to make a
14 statement?

15 MR. GOUDGE: I canvassed,
16 sir, and they've indicated they don't.

17 THE COMMISSIONER: Well, ladies
18 and gentlemen, thank you very much for taking the time
19 and trouble to attend our hearing this afternoon, and let
20 me thank especially those persons and organizations who
21 presented briefs to the Inquiry. I appreciate very much
22 the views expressed and they will be taken into consi-
23 deration in the work of this Inquiry, of that you can be
24 sure. We will adjourn until 8 o'clock this evening
25 when we will hear those who wish to speak at that time,
26 and the movie, the infamous film about the work of this
27 Inquiry in the north will be shown at 7 o'clock tonight
28 and it's a treat, I'm told. So, we may see some of you
29 then. We stand adjourned.

30 (PROCEEDINGS ADJOURNED TO 8 P.M.)

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: Well, ladies and gentlemen, I'll call our hearing to order this evening.

The Mackenzie Valley Pipeline Inquiry has been holding hearings in Northern Canada in cities and towns and villages and settlements in the Northwest Territories and the Yukon for some 14 or 15 months, and we have been considering the proposal that has been made to build a gas pipeline from the Arctic to the mid-continent, and the views of people who live in Northern Canada about that. So we have been to 28 communities in the Canadian Arctic to listen to what people who live there say their own life and experience tell them will be the impact if we go ahead.

Now, we decided that it was only right in view of the multitude of letters that we received from people who live in Southern Canada that we should spend a month holding hearings in the major centres of Southern Canada, and that's why we're here in Winnipeg today. We held a hearing this afternoon. We will hold a hearing this evening, and tomorrow we're gone and will hold a hearing in Toronto on Tuesday.

The questions that we're dealing with are laid down by the terms of reference in the order-in-council establishing this Inquiry. The order-in-council says that we are to examine the social, environmental and economic impact of the construction of a gas pipeline from the Arctic to Southern Canada and the United States.

1 The Government of Canada has
2 said that we are not to stop there, that we are to
3 assume that if we build a gas pipeline from the Arctic
4 an oil pipeline will follow. So we are examining the
5 impact there will be if we establish an energy corridor
6 from the Arctic to the mid-continent.

7 So we have been, as I say, to
8 all of these communities in the north where the people
9 live, the Indian people, the Metis people, the Inuit
10 people, and the white people who live in Northern Canada.
11 We have also been holding what we call formal hearings
12 at Yellowknife, and there we have been considering the
13 evidence of the experts, the economists, the scientists,
14 the biologists, the engineers, the anthropologists, the
15 people who have made it the work of their lifetime to
16 study northern conditions and northern people.

17 So the job that this Inquiry
18 is trying to do is simply this, to gather the evidence,
19 to discover the facts, and then to report to the Govern-
20 ment of Canada about what the impact will be if we
21 proceed with a pipeline and an energy corridor in
22 Northern Canada, so that the Government of Canada will
23 be in a position to make an informed judgment on these
24 questions of fundamental national policy. That is the
25 way it must be in a democracy; the people elected to
26 govern the country, the people who have the confidence
27 of Parliament must make these decisions in the final
28 analysis.

29 We are here to listen to what
30 you have to say because it is our own appetite for

oil and gas and our own patterns of energy consumption that have given rise to proposals to bring oil and gas from the Arctic. I think that we all realize that what happens in Northern Canada in the years to come will say something about what kind of a country Canada is, about what kind of a people we are.

So we are here tonight to listen to you, and I'll ask Mr. Goudge of Commission counsel, to outline our procedure.

MR. GOUDGE: Yes sir. Very briefly, I should say that the procedures that we propose to follow tonight have been agreed to by all the full-time participants who are appearing before you in the formal hearings in Yellowknife, and needless to say they're designed to facilitate a full and fair participation on the part of all those who are here tonight and who will be delivering briefs to you.

The Inquiry advertised in the major newspapers in Southern Canada and asked for written briefs to be forwarded to our office in Ottawa by May 1st. That was in order to facilitate our planning of the time that we had available to spend in Southern Canada, and Mr. Waddell, who is seated on my left, has scheduled those who replied from Manitoba to present their briefs to you this evening, those who weren't able to do so this afternoon. Any who are here tonight who did not supply written briefs to our office by May 1st, ought to make themselves available to Mr. Waddell and I know he will make every effort to fit them in, if time permits.

1 The procedures we propose, sir,
2 are relatively simple. In the first place we propose
3 that of course there be no cross-examination at these
4 particular hearings. However, if it should appear that
5 further questioning of the witnesses who appear here
6 tonight would be useful, or if the participants request
7 that, we will undertake to make that a possibility at
8 a mutually convenient time and place.

9 Secondly, the full-time
10 participants will have the opportunity at the end of
11 this evening session, if they wish to avail themselves
12 of it, to comment on and reply to these submissions that
13 are made to you tonight.

14 Finally, we will ask that each
15 witness who appears before you take an oath or affirm.
16 This is the procedure we have followed in the north and
17 is consistent with our view that what is said here
18 tonight is of very substantial importance to the Inquiry.

19 Those are the procedures, sir,
20 and Mr. Waddell will be calling the witnesses.

21 MR. WADDELL: Mr. Commissioner,
22 I should say before I begin that we have -- begin
23 calling the witnesses, that is -- that we have some-
24 thing like 15 briefs on our list to hear, and I've had
25 numerous other people -- 9 to be specific -- come up
26 and ask if we could hear them. I can only say to those
27 people that I will try to fit them in, but it looks
28 difficult at this point. So I should say that at the
29 outset of the evening. We hope, though, that we will
30 move thoroughly and rapidly through the briefs that

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are to be given. So I'll call the first brief, Professor John Ryan, who is with the Department of Geography at the University of Winnipeg. Professor Ryan?

JOHN RYAN , sworn:

THE WITNESS: Justice Berger, in the course of conducting this Inquiry you have travelled thousands of miles and you have heard evidence presented by hundreds of people representing a great variety of interests. By now the Inquiry must have thousands of pages of material -- much of it extremely well-documented and eloquently presented. However, because the bulk of the material was presented by either supporters of the pipeline or opponents of the pipeline, the Inquiry must have an incredible amount of conflicting evidence. Yours will be a Herculean task to sort out the material, to weigh the arguments and the evidence, and then to report on the impact of the pipeline and its full ramifications on the north, and to recommend the terms and conditions under which it should be built, providing it is to be built.

On the one hand, after spending millions of dollars accumulating evidence, to back up their position, the pipeline companies have assured the Inquiry that the project is necessary, that it is feasible, that it will not unduly disrupt the environment, and that it will not have a serious disruptive effect on the lifestyle of the indigenous northern people. On the other hand, with the substantial funds provided by the Federal Government through the

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Inquiry, the northern people and the opponents of the pipeline have accumulated equally valid evidence which challenges the conclusions of the pipeline companies and their supporters. In addition, there is one other issue -- the land claims of the indigenous northern people. These people want a land settlement and a new political structure in the north before any further development takes place in their land.

How is the Inquiry to truly resolve these problems? Given the nature and the seriousness of these conflicts, it would seem to me that in addition to reporting on the impact of the pipeline, and the terms and conditions under which it should be built, the Inquiry has the authority under its frame of reference to recommend that the actual construction of the pipeline should be postponed for a 10 to 15-year period. Although the Inquiry could serve a very useful purpose by providing an assessment of the pipeline's impact, as well as a formulation of proper guidelines for its construction, I feel that the Inquiry's greatest service would be to recommend the postponement of pipeline construction.

There are several crucial reasons why the pipeline should be postponed. First of all, the land claims issue will probably take years to be resolved. And before this is done, we have no right to proceed with the pipeline. The northern indigenous people have lived there for thousands of years and they are still in the majority in that region. Without a proper political settlement with these people, what

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right have we to almost unilaterally tell them what kind of future, what the future must hold for them? What right have we to exploit the resources of the land where they live? The days of colonialism **are** over and Southern Canadians should wake up to this fact. They should become familiar with certain features of the United Nations Charter which has relevance to the Canadian scene. This issue is reason in itself for recommending the postponement of the construction of the pipeline.

But there is another reason. It is commonly recognized that science and technology increase geometrically through time. Many of the present construction and environmental problems have only partial solutions at this stage. However, if the construction of the pipeline were delayed for another decade or more, we may very well by then have the answers or at least better solutions for many of the present technical and scientific problems. If we are truly concerned about the possible disruption of the fragile northern ecology and environment, and the resulting socio-economic consequences of the people, we can ill-afford technological or scientific errors. So here, too, there is a valid reason for postponement of the pipeline.

There is a third reason, and although it may appear that this issue is not strictly within the frame of reference of the Inquiry, and that it should perhaps be better directed to the National Energy Board hearings, it is an inter-related issue and

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aspects of it do fall under the Inquiry's frame of reference. The third reason for the postponement of the pipeline is that Canada does not really need northern frontier gas now or in the near future, and that the pipeline at this stage is unnecessary. This is a complex issue and I feel that it is essential background information which the Inquiry should take into consideration in its recommendations.

To place the issue of the Mackenzie Valley Pipeline in proper perspective, I would like to briefly review some of the history behind the project. This will give us some idea why the issue of the northern gas has come up at all, why the pressure to build the pipeline, why this Inquiry was established, and why we are here tonight.

I'll go back to only 1970. At that time the Canadian Petroleum Association, that is the oil and gas companies in Canada, assured us that we had enough natural gas to last us well into the 21st century. On the basis of that information, the National Energy Board that year recommended the export of 6.3 trillion cubic feet of natural gas to the U.S.A. in long-term contracts. This was in addition to outstanding export contracts of 12 trillion cubic feet, which meant that we were exporting 41.5% of our natural gas production at that time. In response to the National Energy Board's decision to allow export of 6.3 trillion cubic feet, the gas companies were publicly indignant because this was only two-thirds of what they had wanted. We were told that our potential reserves were 725 trillion

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1 cubic feet, and the National Energy Board was being
2 totally unreasonable. In the fall of 1971 the gas compa-
3 nies applied for further exports, but the National Energy
4 Board rejected their proposal. Once again the companies
5 were highly indignant, and the Alberta Government was
6 greatly put out as well. As late as June, 1973, the
7 Federal Government's Energy Report assured us that we
8 had sufficient gas to last us into the 1990s. And then
9 suddenly at the end of 1973 the Canadian Gas Arctic
10 Study Group, that is the same corporations who form
11 the Canadian Petroleum Association, warned the Federal
12 Government that Canada could run short of natural gas
13 by 1980. In fact, they told us that we'd be short of
14 1% of Canadian demand by 1979, and about 15% short by
15 1987. But they had a solution, and I quote:

16 "Fortunately, Canada has frontier regions
17 which have vast natural gas potential."

18 According to them, Canada had no time to lose, and the
19 Mackenzie Valley Pipeline had to be approved immediately.
20 That, of course, started off the whole chain of
21 events -- and here we are tonight.

22 What about these vast reserves
23 in the northern frontier? So far the oil and gas indus-
24 try has reported proven reserves of only 6.5 trillion
25 cubic feet in the Mackenzie Delta; and to get this
26 gas they are proposing a 2,600 mile pipeline through
27 incredible terrain at a cost of about \$7 billion; but
28 to make the venture viable, the pipeline has to extend
29 to the Alaska North Slope reserves of 24 trillion cubic
30 feet, which are to be shipped to the U.S.A. In addition

1 So all the problems that this pipeline will create,
2 this gas will be two or three times as costly to produce
3 as southern prairie gas. Is this our only way out? Do
4 we really need this gas in the immediate future?

5 In actual fact, Canada does
6 not lack in reserves of natural gas to last us to the
7 1990s. We have this gas in the prairie regions which
8 is relatively inexpensive to produce, but because we
9 have committed ourselves to large exports of long-range
10 -- because we have committed ourselves to large amounts
11 of long-range exports to the U.S.A., we are indeed faced
12 with shortages. We continue to export close to 40%
13 of our natural gas production, and we have outstanding
14 export contracts for about 13 trillion cubic feet. This
15 should be compared to the 6.5 trillion cubic feet of
16 expensive gas in the Mackenzie Delta.

17 How is it that we committed
18 ourselves to these exports? We are committed because
19 of the manipulation of the oil and gas industry. When
20 they wanted export contracts, they assured the National
21 Energy Board that these amounts were surplus to our
22 needs. They now have investments in the north and
23 naturally they want to get the gas out of there, and
24 to do this we are being told that Canada faces shortages
25 in the immediate future. We can rightfully ask the
26 question: Were they lying then or are they lying now?
27 When pressed on this issue, the industry claims that
28 it is all a matter of the interpretation of "reserves".
29 Eric Kierans was a Member of the Cabinet in 1970, and
30 he claims that the gas industry presented their data

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1 in such a way that the National Energy Board and the
2 Cabinet were misled and deceived, and that it was on
3 this basis that they approved the exports. And that
4 is why we are now short.

5 So what should we do? Build
6 the Mackenzie Pipeline and bring in the 6½ trillion
7 cubic feet of gas from the north? Or do we have another
8 option? Yes, we do have another option. Canada's energy
9 policy, such as it is, states explicitly that we will
10 export only excess or surplus reserves, and the U.S.A.
11 is fully aware of this.

12 Secondly, Section 17 of the
13 National Energy Board Act states:

14 "The Board may review, rescind, change, alter
15 or vary any order or decision made by it."

16 The U.S.A. is fully aware of this too.

17 The U.S.A. should also be made
18 aware that its oil and gas branch plants in Canada
19 submitted false or misleading information in support of
20 export applications, and this is cause for revoking
21 the licence. On this basis and simply because Canada
22 does not have surplus supplies of gas, we should phase
23 out and terminate our exports to the U.S.A. We should
24 at least reclaim that last 6.3 trillion cubic feet
25 that was committed to export under very dubious
26 circumstances, and that would be the equivalent of the
27 present proven frontier gas. This also means that we
28 would not need the pipeline for 10 or 15 years.

29 Knowing this situation, the
30 Inquiry should not have any qualms about recommending

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1 a delay of 10 to 15 years in the construction of the
2 pipeline. This could force the Federal Government to
3 cancel some of its export contracts, and it would allow
4 us to make use of the prairie's low-cost gas supplies
5 ourselves. Delaying the pipeline should not create
6 any hardships for Canadian people or industrial opera-
7 tions. In fact, such a decision should not create
8 hardships for the U.S.A. either. Once the Americans
9 would know that we are not going to build the pipeline
10 for some time, they would undoubtedly immediately pro-
11 ceed with the construction of a gas pipeline parallell-
12 ing the Alaska Oil Pipeline. The 24-trillion cubic feet
13 of North Slope gas could then be shipped to Valdez
14 and from there by liquified natural gas tanker along
15 the west coast to California.

16 I find it totally astonishing
17 that more questions are not being asked about Canada's
18 natural gas export contracts to the U.S.A., and the
19 fact that we do have sufficient cause and the actual
20 right to revise, rescind, phase out, or terminate these
21 exports. Not just the right, but given the circumstances
22 to look after Canada's best interests, the Federal
23 Government should have the obligation to re-examine
24 these export agreements. Instead, the Federal Government
25 has adopted a position which actually aids and abets the
26 oil and gas industry in its campaign to create fear and
27 dismay about impending natural gas shortages -- while
28 at the same time we continue to export close to 40%
29 of the production day in and day out. Even in the
30 government's most recent policy statement, the option

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of cancelling exports is not even mentioned. In fact, nowhere in this publication do they even list the total amounts that we are committed to export. It seems that it's almost classified information; and of course the oil and gas industry studiously avoids any comments about Canada's rights to limit or terminate export commitments. In fact, just the other day it was brought home to me in no uncertain terms that one does not even mention the issue in polite company, if you'll pardon the expression "company". I will relate this particular incident because inadvertently it brought out a rather chilling undertone to the Mackenzie Valley negotiations.

Last week at the Winnipeg Convention Centre, there was a high-level Canadian-American Conference, whose theme was,

"Sharing of a Continent."

In reply to a question that I posed to Mr. Urbain Chaput, the Corporate Manager of Imperial Oil Limited (in parenthesis I should add that he really evaded the essence of my question) he stated that Canada needs the pipeline, and that he feels that the majority of northern people actually want the pipeline too, and then he made the following statement (and I am quoting his remark just from memory):

"But after all, there are only 15,000 natives in the north, whereas there are 23 million Canadians in the south."

The implication of that statement was clear to everyone at the Conference -- or at least it should have been.

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The implications of that statement should be spelled out, that when it really comes down to it, the northern people are dispensable. That from the mouth of a corporate manager of Imperial Oil who spoke here in Winnipeg last week before an audience of hundreds of people. To me, it is a callous, cavalier, arrogant attitude that is typical -- that somehow slipped out in an unguarded moment, and it's typical of the humanitarian concern of the multinational corporations. I attempted to point out to Mr. Chaput that the true measure of a nation's democracy is how democratically its minority peoples are treated, but before I could elaborate on the issue I was shouted down by his supporters in the audience. I thought I would bring this to the attention of the Inquiry because to me this was a very revealing exchange. Naturally, Mr. Chaput will attempt to weasel himself out of the implications of his statement, but that might be just difficult to do because this time I think we've got him by the short hair.

How is it possible for Canada to have a rational energy policy if we do not have effective control over oil and gas exploration and development, and if we do not have a knowledge of the true extent of our oil and gas reserves? How is it possible for Ottawa to come out with a long-range rational policy when they don't know what the oil companies are going to tell them tomorrow? And that's almost no exaggeration. For example, in 1973 the oil companies told us that Canada had enough oil reserves

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1 to last us for the next 80 years. In 1974, they told
2 us that Canada would face domestic oil shortages in a
3 matter of only eight years. This is a revolution of
4 geological scholarship, but Ottawa accepted it.
5 Neither the government nor the National Energy Board
6 are equipped to make an independent thorough inventory
7 of the nations reserves. The petroleum companies have
8 a monopoly on this information and they are not
9 obliged to reveal it, and their top level decision-making
10 is located outside of Canada -- American or European
11 offices. When the oil companies wanted greater
12 exports, they assured us that we had vast supplies; but
13 when Canada adopted a two-price system, and this hurt
14 them, they immediately settled to destroy the system
15 and they felt that this could best be accomplished by
16 making us believe that we were faced with imminent
17 shortages. The strategy worked because the two-price
18 system was destroyed and we will soon be paying world
19 prices for oil, and our gasoline prices should soon be
20 about \$1.25 a gallon. When that happens, I have no
21 doubt that the oil companies will announce that Canada
22 once again has vast reserves and there is plenty for
23 export. Just wait and see.

24 Energy is a crucial issue
25 and no self-respecting country should allow itself to be
26 manipulated by foreign-owned multinational corporations.
27 In fact, if Canada is to survive as an independent
28 country, it must assume control over its energy resources.
29 Due to limitations of time I cannot elaborate on
30 the full rationale, but under the United Nations Charter

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1 of Economic Rights and Duties of States, Canada has
2 every justification for nationalizing the entire oil
3 and gas industry in this country. It is critical for
4 us to know exactly and precisely what our oil and gas
5 reserves are. Energy is a vital key factor in our
6 survival as an independent country.

7 Almost everywhere in Canada
8 we have come to accept the principle of public owner-
9 ship of hydro operations. Electricity in this country
10 is sold at prices that are almost at cost of production,
11 and it is not sold at some type of world price or at
12 prices determined by foreign-owned multinational corpor-
13 ations. We have arrived at a stage in history where
14 not just electricity, but all energy should be publicly
15 owned and controlled.

16 If our total energy supplies
17 were publicly owned, we would know the true extent of
18 resources, we could direct certain types of energy into
19 certain sectors of the economy, for conservation pur-
20 poses we could ration certain types of energy if need be,
21 and we would have the option of setting prices at cost
22 of production for domestic consumers and charging world
23 prices for exports. The time has surely come for us to
24 be in control of our energy resources.

25 As for the Mackenzie Valley
26 Pipeline, for the reasons I have stated, I would urge
27 the Inquiry to recommend a ten to 15-year moratorium
28 on its construction.

29 Respectfully submitted.

30 (SUBMISSION BY J. RYAN MARKED EXHIBIT C-414)

(WITNESS ASIDE)

P.S. Young

MR. WADDELL: Mr. Commissioner, I'd like to table two briefs. One is from the Native Brotherhood organization of the Rockwood Prison, and I'd like to table that with Miss Hutchinson, the secretary.

(SUBMISSION OF NATIVE BROTHERHOOD FROM ROCKWOOD INSTITUTION MARKED EXHIBIT C-415)

MR. WADDELL: The other one is from the Winnipeg Economic Development Board, and they have given us a brief and I'd like to table that.

(SUBMISSION OF WINNIPEG ECONOMIC DEVELOPMENT BOARD MARKED EXHIBIT C-416)

MR. WADDELL: Is there a representative here from the C.J.L. Foundation?

THE COMMISSIONER: You better repeat that, I don't know whether you're being heard.

MR. WADDELL: Well, I'll say that a little louder, Mr. Commissioner. Is there a representative here of the C.J.L. Foundation?

I call next upon Mr. P.S. Young, who is the vice-president of the Ladco Company Limited. Mr. Young?

PHILIP S. YOUNG, sworn:

THE WITNESS: Mr. Commissioner, I represent the Ladco Company. We appreciate the opportunity to appear before this Inquiry, and express our views regarding natural gas supply in this area.

The Ladco Company Limited is a fully integrated development company engaged in the

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construction of over 300 residential housing units annually, including single detached, multi-family and high-rise units. We also construct for our account commercial and industrial properties such as shopping complexes, hotels and warehousing facilities.

We in Winnipeg are perhaps unique as we have already experienced shortages of natural gas and are extremely conscious of the problems, both social and economic, that arise from the disruption and non-availability of a basic component necessary to the well-being of our community.

A major problem that we have had to face during the past two years has been the sporadic availability of natural gas service. The residential construction industry had experienced two interruptions of seven months and five months respectively within an 18-months period. The initial termination of supply came with no advance warning and as over 90% of all new housing units had utilized natural gas service, this interruption created considerable confusion.

THE COMMISSIONER: That's new units?

A That's right. In many cases hardware and equipment for alternative heating systems was not readily available in this area. This added further delays resulting in a significant decrease in completed housing units available to this market.

The commercial construction industry has been even more severely affected during

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the past two years. There has been a total embargo of natural gas services for both new construction and additional load use which has only been partially lifted within the last few weeks.

Here are three examples of how our firm has been affected:

On September 5, 1974, we applied for gas for a shopping centre addition. It was approved finally on May 10, 1976. The construction was delayed and we have just started that particular project.

On December 5, 1974, we applied for gas for a warehouse project. That too was approved in May, 1976, and that however is up and operating on propane at this time.

On September 23 of 1975 we applied for an additional load for a hotel and on May 10, 1976 that, too, was approved, and that caused a complete re-design of our mechanical requirements at quite some cost.

Because of this erratic supply of natural gas, the inevitable delays have increased construction costs immeasurably. Long-term planning is virtually impossible and last-minute adjustments for alternative energy sources create additional costs in design and production. The total uncertainty of the energy picture, particularly in regard to commercial construction, has done nothing but add to the inflationary spiral already rampant in the construction industry.

We are mindful of the

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necessity to conserve energy, and consequently for the past several years the insulation requirements in our projects have been higher than existing standards and other requirements. Winter heating during construction is kept at a minimum and wherever possible, construction techniques implementing energy conservation are used.

The foregoing on the surface is a local supply problem, which is slowly sorting itself out. However, we have experienced a drastic withdrawal of a prime energy source and are most aware of future potential problems as marketable natural gas reserves continue to shrink. The timing of any undertaking to bring frontier gas to the southern markets is of utmost importance if there is to be no disruption in the social and economic situation of our citizens.

Winnipeg is in many ways similar to the communities in Canada's north. It is isolated. It is an exporter of raw materials. It is an importer of manufactured products. The potential for growth exists, but only if Winnipeg has the same basic advantages as are available in other like centres.

Without assured supplies of natural gas in time to meet the needs of just normal growth, the social and economic outlook for Winnipeg is not the brightest.

There is no doubt in our minds that if this community and those engaged in business here are to maintain their viability, then adequate and assured supplies of natural gas in time to avoid further embargoes must be made available. These reserves of

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1 natural gas are to be found in our frontier areas
2 such as the Mackenzie River Delta and we strongly urge
3 the Commission, while safeguarding our northern environ-
4 ment, to consider the needs of the areas of this coun-
5 try whose potential well-being is endangered by
6 impending shortages of natural gas.

7 In the light of the aforesaid,
8 we wish to go on record in support of the Canadian
9 Arctic Gas Pipeline Limited and Foothills Pipe Lines
10 Ltd. proposals to bring natural gas from Alaska's
11 North Slope and the Mackenzie Delta along the Mackenzie
12 River Valley to markets in Canada.

13 Thank you, sir.

14 (SUBMISSION OF LADCO COMPANY LIMITED - P.S.
15 YOUNG - MARKED EXHIBIT C-417)

16 (WITNESS ASIDE)

17 MR. WADDELL: Mr. Commissioner

18 THE COMMISSIONER: Ladies and
19 gentlemen, we are going to be here for a while this
20 evening listening to a variety of points of view, and
21 I don't know how you feel about it, but I want to hear
22 all points of view. I suggest that you consider
23 the views of people who speak here presenting briefs
24 tonight with the same seriousness as you'd consider
25 the views of people who happen to agree with the views
26 you hold. In this Inquiry I have sought to make sure
27 that people who want to speak receive a fair hearing.
28 We have gone to great pains to make sure that that
29 occurs, and that is because we Canadians are serious
30 people, and we try to determine questions of national

1 policy in a serious, rational way, without hysteria,
2 and without being driven by the forces of unreason.

3 I urge you, I urge you to give everybody who wishes
4 to exercise his right as a citizen of this country to
5 speak tonight, I urge you to give him a fair hearing.

6 I know feelings are strongly
7 held on all sides. I've been to 28 communities in
8 Northern Canada, I've heard people speak who feel that
9 their identity as individuals and as a people are
10 threatened, and they have been willing to listen to
11 the views of people with whom they disagree, and they
12 haven't interrupted them, and they've considered those
13 views; people whose own lives were, to their minds,
14 far more seriously affected than the lives, I think,
15 of any of those here present tonight.

16 So forgive me for presuming
17 on your time in this way, but I think that we'll get
18 along better and we'll learn from each other and per-
19 haps understand each other a little better if we
20 show the same courtesy to the people that we disagree
21 with, the same courtesy that we would extend to those
22 that we happen to agree with.

23 So call the next brief, Mr.
24 Waddell.

25 MR. WADDELL: Mr. Commissioner,
26 our next brief is from the Inter-Cultural Development
27 Education Association Incorporated, I believe they're
28 here in Winnipeg, and the spokesperson is Marvin
29 Haave, that's spelled H-A-A-V-E.

M. Haave

MARVIN HAAVE, sworn:

THE WITNESS: Mr. Berger,

before beginning I would like to express our gratitude for the opportunity to appear before this Commission. It is to the credit of this Inquiry that residents of Southern Canada are permitted to present their opinions and concerns. We sincerely hope that this is not the last opportunity for such dialogue.

I am speaking on behalf of the Intercultural Development Education Association, known here as "The IDEA Centre". Our Association seeks to provide the local community with information relating to the problems, needs and aspirations of the peoples of the so-called Third World. That part of the globe that is subject to poverty, exploitation, and an increasingly uncertain future. In our studies we are constantly faced with the evidence that the Third World is not necessarily in some distant part of this planet. Rather, it is anywhere that people suffer from poverty, degradation, and exploitation. Popular mythology has it that the Northwest Territories constitute Canada's last frontier. We suggest that this area is more accurately described as a part of Canada's Third World. The Dane and the Inuit peoples of the Northwest Territories are oppressed peoples, and that is why we are here presenting this brief.

In our brief we deal with four general areas, none of which can be dealt with adequately in isolation, but which must be separated in order to facilitate clarity. Therefore we shall

1 examine the application to construct a pipeline in the
2 Mackenzie Valley with regard to the impact such activity
3 would have upon the following:

- 4 1. The rights of the native peoples of the region
- 5 2. The environment of the region
- 6 3. The economic futures of both northern and southern
7 Canada.
- 8 4. We shall express our concern about the manner in
9 which decisions are being made by our government
10 officials concerning the Mackenzie Valley Pipeline. We
11 shall suggest what we feel are some of the implications
12 of the government's approach for this Inquiry, and for
13 future development in the north.

14 First, native rights. To
15 open our discussion of the rights of native peoples in the
16 Northwest Territories, we should like to express our
17 unequivocal support for the position taken by them
18 which simply stated says:

19 "No pipeline before a land claims settlement."

20 In addition to this, we feel
21 it is necessary to state that we are in general agree-
22 ment with the nature of the land claims settlement
23 being sought by the Dene of the area. We agree with
24 them that ownership of the 400,000 square miles of
25 Territory they are claiming is rightfully theirs, is
essential to their future as a people. We are convinced
that the cultural, economic, social and political
26 self-determination within the Canadian state that is
27 implied by the Dene Declaration is the only acceptable
28 and just result of the negotiations that are taking

1 place between them and the Government of Canada. We
2 are anxious to see an end to what can only be characteri-
3 as colonial rule in the north. We desire that the
4 peoples of the area be permitted, for the first time
5 in many years, to have free and democratic control
6 over their futures. We are disturbed by reports of
7 increased activity in the north on the part of the
8 oil corporations. There are striking similarities
9 between the positions of the natives of the Northwest
10 Territories and the natives of Northern Quebec, who
11 were forced to negotiate with a bulldozer in their
12 back yard.

13 Native leaders have again and
14 again echoed the sentiments very eloquently expressed
15 by James Wah-Shee, former president of the Northwest
16 Territorial Indian Brotherhood. He said,

17 "We are not interested in compensation for
18 loss of a way of life, but for the freedom
19 to construct our own alternatives for develop-
20 ment on the bedrock of our past. The destruc-
21 tion of our way of life in return for compensa-
22 tion and a menial role for native people in
23 outside initiated development by and large
24 irrelevant to our needs, cannot be assumed
by the government, Arctic Gas, or any proposed
settlement of our claims. The shape of
northern development cannot be decided without
the essential input of our people. Our claim
to such a role rests both on our ownership
of the land and on our rights as Canadians.

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The land settlement model put forward by the Indian people of the north is based on a developmental principle firmly rooted in the expressed needs of a region, and a distinct people. At this crucial time in Canadian history, we feel it represents an opportunity for this country to adopt a development policy which will more closely approximate regional and national interests than the policies implicit in the choices of the past."

As our preceding remarks have indicated, and our following comments will make clearer, we are in full sympathy with the desire expressed by native spokespersons for such a settlement.

Second, environmental impact. We are disturbed by the apparent unwillingness of the gas consortium, and the Federal Government, to take environmental impact studies seriously. We believe the strong likelihood of significant environmental damage, if the pipeline is rushed through before there is sufficient time for adequate impact studies relating to the final route.

Natives and other environmentalists have expressed strong concern over the types of ecological damage that might result -- disruption of migratory routes, feeding, staging and reproductive areas are feared results. These would pose a serious threat to the future existence of northern wildlife, improved access roads that would accompany the pipeline would place wildlife under unprecedented hunting

pressures that would endanger several species.

Land that is permanently frozen is particularly susceptible to severe erosion. In one case of which we are aware, a bulldozed seismic line west in the Mackenzie Delta eroded into a gully 23 feet wide and 8 feet deep in just four years. The effects on permafrost of large-scale use of heavy equipment necessary for pipeline construction are as frightening as they are incalculable.

As well, given the relatively long decomposition rates for materials discarded in the north, our long-demonstrated propensity for what we politely characterize as littering, and the enormous quantities of materials that would be discarded in a construction project of this magnitude, we view waste disposal as a major problem that would be encountered.

Three, economic impact. As previously stated, we favor development that properly reflects the needs of the region and the nation. We do not feel that the needs of the people of the Northwest Territories and those of the rest of the Canadian people are in conflict. While some of the problems of the people in the Northwest Territories may differ from those in the south, we feel that the basic needs for adequate food, housing, education, medical care and cultural and political self-determination are the same. We feel strongly that the proposed construction of a pipeline with all of the many economic pitfalls that we shall outline poses a serious threat to the abilities of Canadian people, native and non-native, whether in

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1 the north or the south, to realize the basic needs that
2 have been listed above.

3 The economic impact of the
4 Mackenzie Valley Pipeline relates to a number of
5 unique characteristics of the project. The development
6 involves a massive amount of investment, at least \$4.5 to
7 \$10 billion depending on which of the two bids are
8 accepted. The project is capital-intensive, generating
9 relatively few long-term jobs for the enormous amount of
10 money invested. The project is associated with a dis-
11 proportionately large amount of external cost, such
12 as environmental damage and government expenditure on
13 roads, communications, and other infrastructure. The
14 construction of the pipeline will also occur in an under-
15 developed economy in the north. Finally, the pipeline
16 construction is to be extremely rapid, involving large
17 numbers of transient workers, high wages, and large
18 capital expenditures over a short period of time.

19 The gas consortium has suggested
20 that the positive effects would be:

- 21 (a) a major contribution to national income during
22 construction;
23 (b) a long-run stimulation of employment in Alberta and
24 the north
25 (c) the generation of a trade surplus through exports.

26 It has been further suggested
27 that shipment of Alaskan gas and the export of delta
28 gas are necessary to make the project economically feasible
29 and that deferral of the project would result in loss
30 of the opportunity to ship Alaskan gas. As well, it has

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been suggested that we would face gas shortages in the 1980s. We see the effects of the pipeline in quite different terms.

The massive amounts of investment (4.5 to 10 billion dollars) to be expended on the pipeline is clearly inflationary. The inflation that this expenditure will produce will have several detrimental effects. Living costs in the Northwest Territories and the rest of Canada will rise. Most affected will be those on fixed incomes, but the living standards of working people everywhere will be steadily undercut. Because of the increase in value of the Canadian dollar, our trading position in the world market will be seriously undermined. Interest rates will in all likelihood climb sufficiently high to make it unprofitable to invest money in job-producing industries. In return for a short period of relatively high employment of migrant workers in the north, we shall be sacrificing the opportunity for the creation of more durable and widely spread employment across the country.

Unemployment will be further aggravated by the so-called "trade surplus" that we are to expect from our export of natural gas to the United States. This trade imbalance will necessitate the import of goods made in the United States that could well be manufactured by Canadian workers in Canadian factories. It is the familiar story of exporting our raw resources in return for lost jobs. Additionally, it seems unlikely that Canadian industry is at this time capable of providing the material backup for the

pipeline project. The capital invested will, as a result, flow to foreign industries. In this way, we shall export not only capital but jobs as well.

This project, because it is capital-intensive, is a socially irresponsible investment for a country that has chronically high unemployment. Comparable investment in industry would produce many more jobs. An investment of this magnitude will involve heavy borrowing. As it is extremely unlikely that this amount of capital can be raised in this country, we can only assume that the funding will come from foreign sources, primarily in the United States. This can only serve to strengthen the economic and political dominance of the United States over Canada, and as such can only serve to weaken the possibilities for self-determination that we feel are essential for the people of this country.

Yet another impact of the pipeline will be the diversion of the wealth of the country away from desperately required social expenditures, in the areas of health care, education, housing, and mass public transit, to mention only four. We can only feel that the recent cutbacks in these areas and the Federal Government's wage controls program are the beginnings of dangerous trends that are calculated to facilitate the financing of the pipeline at the expense of ordinary Canadians.

The effects upon the native people of the Northwest Territories will be disastrous. Among the problems created will be the transfer of

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1 natives from their present pursuits to a wage economy
2 with no guarantee of employment after the project is
3 completed. The damage to the environment might well
4 destroy their traditional livelihood, and when the
5 jobs are gone, leave them with nothing but welfare and
6 broken dreams, dependent upon the Department of Indian
7 Affairs for the bread they eat, and with no hope for
8 dignified lives. Because most of the natives do not
9 have the necessary skills, they are relegated to the
10 lower paying menial jobs. It does not appear that
11 sufficient time is being allowed to train the natives
12 to hold the higher paying jobs, and these will no doubt
13 go to southern workers who will have no ties with the
14 local community, and no real interest in contributing
15 to its development. The inflation that will cause severe
16 difficulties in the south, will cause grave hardships
17 in the north. As well, it will make it correspondingly
18 more difficult for natives to obtain the funding
19 necessary to initiate local projects of a more durable
20 and beneficial nature for the local community.

21 Finally, and most significantly
22 in the long run, by rushing into this costly venture
23 we will have wasted valuable time and valuable resources
24 that might be employed in the research for lasting
25 alternative sources of energy, and methods of energy
26 conservation. When our petroleum resources are depleted,
27 and they will not last indefinitely, no matter whose
28 estimates are accurate, we shall be left quite literally
29 out in the cold. We feel that the time to be investing
30 our considerable resources and efforts in seeking lasting

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1 alternative solutions to our energy predicament is
2 long overdue, and that the disruptions that will be
3 created by the construction of a pipeline in the north
4 at this time can only exacerbate the problem.

5 When attempting to analyze
6 an economic problem we must always ask the question:
7 "Whom will this benefit?"

8 It is clear to us that the
9 people of Canada will not be the beneficiaries. It is
10 equally clear to us that the beneficiaries of the
11 Mackenzie Valley Pipeline will be the multinational
12 companies involved in the development of the pipeline.
13 We do not feel that Canadians should be asked to pay
14 such a price when it can be established that their
15 interests are not being served.

16 Fourth, the role of the
17 Canadian Government. Certain circumstances and events
18 have combined to cast into question the Federal
19 Government's impartiality regarding the construction of
20 the pipeline. We are told that this Inquiry has been
21 appointed to enquire into and report on the terms and
22 conditions that should be imposed by the government if
23 a pipeline is to be built. However, statements made
24 by top-ranking officials and the very structure of the
25 Ministry responsible for northern development and the
26 welfare of the native people suggests that decisions have
27 already been made. Our remarks in this area are in no
28 way to be construed as criticisms of you, Mr. Justice
29 Berger, or your staff for the way in which you have
30 conducted yourselves. We have no reason to doubt the

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sincerity or integrity of you or your staff.

If we accept the premise that a key concern for this Inquiry is the impact of a pipeline upon the native inhabitants of the region, we must focus upon the immediate conflict that arises when one section of a government department is promoting a development that threatens the people that are ostensibly protected by another section of that same department. When there is tension and conflict between these two responsibilities, as often there must be, these must be internalized and cannot be fully expressed. The analogy could be drawn to the effects of deep conflict within a single person -- in its more extreme forms, schizophrenia. When the conflict involves an issue like energy policy, the risk is high that because of the desperation for new energy sources (a falsely engendered desperation, we believe), the interests of native peoples are less likely to receive their due attention within the department.

The policies which the Department of Indian Affairs & Northern Development administers are inherited from the British colonial era, and are best summarized in the term "assimilation". But assimilation if it ever seemed appropriate, is inappropriate for native peoples in Canada today and we maintain that the structure and policy of what is called "Indian Affairs" must reflect that reality. We support the replacement of the present Indian Act by one written by the native peoples themselves, as they have been demanding since 1969.

Mr. Judd Buchanan, the present Minister of Indian Affairs, has threatened to cut off research funding to native groups, saying that the native claims are "unrealistic". We understand that attempts have even been made to restrict the significance of this Inquiry by cutting back on funds. In a speech to oil industry executives in Calgary on April 21st of this year, Mr. Buchanan assured the executives of the government's very high priority on incentives favoring their investments. He went on to say that:

Mr. Digby Hunt, Assistant Deputy Minister of Northern Development, told the Canadian Mining Association last June that a pipeline in the Mackenzie Valley could be built before land claims were settled, and that it could start in 1976.

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despite the fact that this would involve Indian land. Mr. Hunt sits on the Boards of Pan-Arctic Oils and the Northern Canada Power Commission, clear conflicts of interest with his public service position.

Finally, the National Energy Board, which is responsible for ruling on the need for a pipeline in the Mackenzie Valley, chaired the Pipeline Committee of the Task Force on Northern Oil Development and prepared the material that persuaded Cabinet to endorse the Mackenzie Pipeline in 1970. The decision in favor of the pipeline appears to have been made prior to public discussion, prior to satisfactory negotiation with native organizations, and despite promises to safeguard both native rights and the environment.

Both the structure of the Department of Indian Affairs & Northern Development and the actions of the various government officials outlined above pose serious implications for the future of northern development and for this Inquiry. Why was this Inquiry not initiated prior to 1970? If this Inquiry makes recommendations that conflict with decisions already, apparently already made in secrecy, will the recommendations be considered seriously? Is this the model for future development of northern resources, a model that allows for consultation with the people most affected only at the last possible moment?

With the foregoing in mind, we offer the following recommendations:

1. That no pipeline be constructed before the land claims made by the natives of the Northwest Territories

1 are met. Implicit in this recommendation is our support
2 for the Dene demand for an agreement that allows for
3 their self-determination in development of the region.

4 2. That detailed, independent studies of the environ-
5 mental, economic and social impacts of a Mackenzie
6 Valley Pipeline upon the Northwest Territories and the
7 nation as a whole be conducted, openly and with provision
8 for adequate public participation.

9 3. That substantial funding be given research into
10 energy conservation and the development of an alterna-
11 tive sources of energy.

12 4. That a moratorium of ten years be imposed upon
13 northern resource development to allow for the implemen-
14 tation of the above recommendations.

15 5. That the Indian Act and the Department of Indian
16 Affairs be subjected to thorough review with the
17 intention of establishing legislation consistent with
18 the wishes and aspirations of the native peoples of
19 Canada.

20 We are not prepared to
21 recommend that a pipeline never be built. But we do
22 state in no uncertain terms that we are in opposition
23 to a development that is pushed forward without the
24 advice or consent of those most directly affected, in
25 this case the native people of the Northwest Territories.
26 As previously indicated, we view the pipeline project
27 as a threat, not only to the native people but also to
28 the well-being of millions of ordinary Canadians. We
29 view the fate of the people of Canada as being more
30 important than profits of multinational petroleum

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1 corporations, and therefore we are opposed to this
2 project as it is presently constituted.

3 This brief is a group effort
4 and eight or ten of the people who helped work on this
5 brief are also here and would be happy to answer any
6 questions, if you have them. Thank you.

7 (SUBMISSION BY INTERCULTURAL DEVELOPMENT
8 EDUCATION ASSOCIATION INC. - M. HAAVE -
9 MARKED EXHIBIT C-418)

10 (WITNESS ASIDE)

11 MR. WADDELL: Mr. Commissioner,
12 I call next on Mr. Austin Rathke, who is the president
13 of the Greater Winnipeg Gas Company. Is Mr. Rathke
14 here?

15
16 AUSTIN RATHKE, sworn:

17 THE WITNESS: Thank you very
18 much, Mr. Commissioner. The Greater Winnipeg Gas
19 Company very much appreciates the opportunity to appear
20 before this Inquiry. We fully support the concept of
21 the Inquiry and feel that it's serving a truly useful
22 purpose.

23 The Greater Winnipeg Gas
24 Company is a company incorporated in the Province of
25 Manitoba with its head office in Winnipeg. It is a
26 gas distribution utility operating in and around
27 Winnipeg, and supplies natural gas for domestic,
28 commercial and industrial purposes to more than 128,000
29 customers in this area.

30 All such gas so distributed and

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1 sold is supplied from Canadian gas fields. Greater
2 Winnipeg understands that this Inquiry has been estab-
3 lished to recommend terms and conditions which may be
4 embodied in the granting of a right-of-way across
5 Crown lands for the purpose of the proposed Mackenzie
6 Valley Pipeline. Greater Winnipeg is concerned with and
7 has an interest in the above-mentioned hearings to the
8 extent that the recommendations rendered could have a
9 direct influence on the cost and timing for delivery of
10 the Mackenzie Delta gas to the Canadian market, thereby
11 affecting the availability to Greater Winnipeg of
12 adequate supplies to serve its present and future
13 market requirements.

14 The dominant reason for an
15 Arctic Gas Pipeline is to provide much-needed natural
16 gas supplies for domestic use from the untapped Mackenzie
17 Delta region. It is a well-documented fact that the
18 supply and deliverability of natural gas from presently
19 producing areas is, and will continue to be, insufficient
20 to meet the needs of the attached Canadian and export
21 market. In our own distribution area as early as 1974
22 Greater Winnipeg found it necessary to cease adding
23 customers, including residential customers, because of
24 the non-availability of additional gas supplies. This
25 situation has been somewhat ameliorated, at least for
26 the short-term, through purchases of supplies directly
27 from producers, and through gas storage and re-delivery
28 arrangements. However, at the present time -- that
29 is today -- there are several hundred commercial estab-
30 lishments in Winnipeg waiting for us to buy gas for

them so they can be served. On a Canada-wide scale, the National Energy Board concluded after hearings held in 1974 and 5 -- and I quote:

"The current inability of supply to meet all requirements for Canadian natural gas, licenced exports, plus growing domestic demand, is likely to continue, at least until supplies from the frontier areas become available. Without substantial supplies from Canada's frontier areas, growing domestic requirements could not be satisfied beyond 1984. Even if all exports were diverted to domestic markets, as required. Without substantial further development of the conventional producing areas, they --(that is the domestic market)-- could not be satisfied beyond 1979, even with exports diverted to domestic markets as required to meet domestic deficiencies."

From these observations two points become clear.

1. The long-term domestic supply problem is real.
2. This problem cannot be resolved by simply diverting to the Canadian market supplies now being exported, whereby accelerating deliveries of Alberta gas.

On the other hand, presently discovered Mackenzie Delta reserves are adequate to effect a significant increase in the deliverability of gas to the Canadian market. With continued exploration the chances for the discovery of further delta gas reserves are excellent. It is mandatory that a pipeline

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1 system be constructed to make available these Mackenzie
4 Delta supplies to the Canadian market.

Now, Greater Winnipeg recognizes
the necessity and the importance of terms and conditions
which might be imposed on a developer of such an Arctic
pipeline, in order to ensure the protection of the
environment, the society, and the economy of the north.
However, we caution that these terms and conditions must
be reasonable and constructive. For example, unreasonable
terms that call for delays in the start of construction
could cost Canadians the opportunity of building a
pipeline to transport both Alaskan and Mackenzie Delta
gas. By by-passing this opportunity, Canada would
lose the advantage of minimizing unit costs for the
delivery of their own gas, as well as lose the
potential of earning substantial foreign exchange
revenues.

Unnecessarily restrictive
regulations for monitoring construction work could
stretch out the construction period, delaying the arrival
of delta gas to Canadian markets, and increasing project
costs.

Unrealistic restrictions on
the manner in which the pipeline is to be built and
operated could undermine the overall feasibility as
to whether such a pipeline can be built at all.

We therefore urge that in
the drafting of terms and conditions a proper balance
be struck between precautionary measures, taken to
minimize any adverse effects an Arctic pipeline might

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1 have on the north and its people, and the expediency
2 with which Arctic supplies are required for all Canadians

3 In conclusion, Greater Winnipeg
4 believes that the highest priority must be placed on an
5 Arctic pipeline system which will make Mackenzie Delta
6 gas supplies available to Canadian markets at the earliest
7 possible date. In this regard Greater Winnipeg is
8 supporting Canadian Arctic Gas and its application before
9 the National Energy Board to construct the pipeline
10 and connected works. It is our belief that this appli-
11 cation has the greatest probability of being economically
12 and environmentally feasible sooner than any other.

13 Furthermore, Greater Winnipeg
14 believes that such a pipeline will be good for all
15 Canadians. For the people of the north, an Arctic pipe-
16 line offers the opportunity to strengthen and diversify
17 their economy through a fair and equitable resolution of
18 land claims, and through the creation of long-term
19 employment. For the people of the south, an Arctic
20 pipeline will provide access to new supplies to heat our
21 homes and fuel our industries.

22 Thank you very much, sir.

23 (SUBMISSION OF GREATER WINNIPEG GAS COMPANY -
24 A. RATHKE - MARKED EXHIBIT C-419)

25 (WITNESS ASIDE)

26 M R. WADDELL: Mr. Commissioner,
27 I'd like to call one brief before coffe. Would that be
28 permissible? Perhaps I could jump down a bit. Is Mr.
29 Henry Spence here? Mr. Spence?

H. Spence

HENRY SPENCE, sworn:

THE WITNESS: Mr. Berger, I'd like to thank you for the opportunity to make a presentation. I'd like to talk on the same issue which is development in the north, but I would like to bring it a little closer to home here in Manitoba, in Northern Manitoba in particular.

I am a Treaty Indian. I come from a reserve that is called Nelson House in Northern Manitoba. It's a small reserve, the population is about 1,500. We recently found out that we are going to be severely affected by not a pipeline, but a massive hydro development project. So I think that I can see a parallel with what is going on in the Northwest Territories concerning the pipeline issue, with our own here in Manitoba.

I think I would just like to give a brief background on the -- our own situation. The planning, the construction has been going on for more than ten years, and it was not until the spring of '74 that we knew that it was going to affect not only my reserve in the north, but four other reserves in Northern Manitoba. The five bands got together to form their own organization, and the five chiefs of the north, including my chief, head and run this organization, which is called the Northern Flood Committee.

The mandate that was given to the committee was to try and stop the vast destruction of what we considered was our last sanctuary, and to find out what is going on, what the plans are,

H. Spence

what will be happening after everything is set in operation. My reserve, Nelson House, stands to be the one which is most affected by flooding because of its location, it's close to the hydro dam. I don't know how the pipeline is affecting Indian communities in the north, but I seem to sense a parallel that is similar to ours. In our case, however, the water that comes from the dam does not go around the community, it goes right into the reserves. Anyway, we feel that most of our land will be severely damaged by the flooding and the erosion. We fear that much of our natural food and our means of livelihood will also be destroyed. We still do not know what other impacts are going to emerge. We understand now that the water on my reserve may go as high as 30 feet. It's a good thing that we're on high ground, or the whole reserve would be under water.

I'm also sure that the shorelines are going to be affected in the north by this development and by the fluctuation of the water, and we also understand that the surplus power that will be brought by this project will be sold to the United States.

In 1875, Mr. Commissioner, our forefathers signed a Treaty No. 5 in good faith with the government of this country, in the hope that we could live peacefully and pursue our traditional life. As a result we were moved to reservations, and in my case, Nelson House.

Now that little piece of land

we call our homeland is being threatened to be destroyed by this development. Mr. Commissioner, we are told that it's for the common good. It was for the common good that we gave up this country of ours. It was also for the public interest that our forefathers signed the treaty with the government. It is again in the common interest that we allowed the developers into the land where we get what we consider our only remaining source of food and livelihood. Our rights to hunt, to trap and fish on lakes and rivers, and these lands may just as well be non-existent. What will then be left to hunt, to trap, or to fish?

Mr. Commissioner, millions of dollars have been spent on studies regarding the project. It is now 1976 and ten years after the agreement was signed to precipitate this major development, and we at Nelson House still do not have the facts. We have never been involved in the planning. The problem with studies is that they're too late and done by government for their own purposes.

These massive developments, the failure to tell the people frankly, fully and early what the consequences will be for them, this failure creates alarm, hostility and confusion which can and does become a major impact in itself, even to the extent of creating a breakdown of the communities, especially the leadership in the decision-making process.

Mr. Commissioner, I would like to quote one of the chiefs from the north, when asked of his view on this issue, and I quote:

H. Spence

"Our land and our rights are not for sale."

As an individual person experiencing this kind of development, I would like to recommend that your Inquiry first of all would recommend that the government of this country and also the Provincial Government, and I guess in this case the Northwest Territories Government, recognize the rights of Indian people in the country. Also that no future development in the north, whether here in Manitoba or in Quebec or in Northwest Territories, be allowed until there is full disclosure, until the people that are affected will also be involved in the planning.

Lastly, I would like to go on record as being in total agreement with my fellow Indian people in the Northwest Territories with regard to this Mackenzie Pipeline.

Thank you very much, Mr. Commissioner.

(SUBMISSION BY H. SPENCE MARKED EXHIBIT C-420)

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner, I wonder if we could break now for ten minutes, just a short break, for a cup of coffee, and we'll try and get as many cups of coffee as we can.

THE COMMISSIONER: Ladies and gentlemen, before we break, I think I should tell you that the C.B.C. has established a broadcasting unit that travels with this Inquiry wherever it goes, and broadcasts each evening for an hour on the C.B.C.'s Northern Network to all the peoples who live in the

Northwest Territories and the Yukon. That broadcasting unit has travelled with the Inquiry now for 14 months in the north, and is accompanying the Inquiry on its tour of the major centres of Southern Canada this month, and the members of that broadcasting unit are with us tonight and they are broadcasting to the north the things that are said by Southern Canadians at these hearings in the south. Those broadcasters include Whit Fraser, who broadcasts in English; Abe Okpik, who broadcasts in Inuktitut, the Eskimo language of the Western Arctic; Louis Blondin, who broadcasts in Slavey; Jim Sittichinli, who broadcasts in Loucheux; and Joe Toby, who broadcasts in Dogrib and Chipewyan. I mention that because I think it is important that you should realize that this Inquiry is a public Inquiry in the fullest sense of the word, and what is said is being transmitted to the people most vitally concerned, the people who live in the Mackenzie Valley, the Mackenzie Delta, on the perimeter of the Beaufort Sea, and the Northern Yukon.

So take a break for coffee and then we'll hear from as many of you as we can. I apologize for the fact that it doesn't appear we can hear from all of those who wanted to present their briefs at the hearing tonight, but I will undertake to you, as I have in the other cities we visited, that the briefs that don't -- that are not presented tonight, if you file them with Mr. Waddell at the table at the front here, I will undertake to read them in the -- in my spare time. So we'll break for coffee now.

(PROCEEDINGS ADJOURNED FOR TEN MINUTES)

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: Well, ladies and gentlemen, we'll call our hearing to order again, and let me suggest to you that what I think we ought to do for the remainder of the evening, is consider the rest of the briefs of the people who were first in line, so to speak, and perhaps we will be able to complete our evening's work soon after 11, and as I say, those who filed -- who wish to file briefs may do so and I promise you that they will be examined.

Let me just say that the Inquiry has spent 14 months in Northern Canada hearing evidence and we must return there by June 15th to complete our work, and we will be in Northern Canada from June 15th for the remainder of this summer, at least, and so we are only in a position to spend a month in Southern Canada, and that is why we could only spend one day here in Winnipeg. I may say that we split the time, so many days in each city, we split the time up according to the number of briefs received in advance from each city, and that's why we are here today and that's why we have to leave tomorrow.

When I introduced the reporters who are broadcasting to Northern Canada, I neglected to add that we have a reporter here tonight, Jorger-Bent Kistorp, who is with Radio Greenland, and is reporting to Greenland regarding the proceedings of the Inquiry.

So Mr. Waddell, we'll carry on with the briefs.

MR. WADDELL: Mr. Commissioner,

before I call the next witness who will be Mr. Ahab Spence, the President of the Manitoba Indian Brotherhood, I propose to -- I'd like to read in a telegram, read into the record a telegram which we received here. It reads as follows:

"At the Symposium on Native Employment of the three Prairie Provinces (Manitoba, Saskatchewan, Alberta), being held in Saskatoon, May 19th and 20th, the following resolution was passed:

"BE IT RESOLVED that there be no major development in the north until aboriginal rights (land claims) are settled.

Symposium delegates would like the Berger Inquiry to understand that until native people have control of their land, they will not have a foundation for economic, social and cultural development. The Symposium also feels that as long as these claims are not settled there will only be menial employment for native people as they will not have any bargaining power."

This is signed by the chair person, Ivan Ahenakew, that's spelled A-H-E-N-A-K-E-W.

I also, Mr. Commissioner, brief 19 on our list for this evening is from Lakeview Properties Limited and I have received a letter from them and I'd like to read that letter. This is from Lewis L. Landa, L-A-N-D-A, the vice-president, and the letter is as follows:

"The writer wishes to acknowledge with thanks your letter of May 14, 1976 and the enclosed

A. Spence

1 synopsis of the Mackenzie Valley Pipeline
2 Inquiry material. After careful examination
3 of same, we wish to withdraw our request to
4 appear before the Inquiry. It would appear
5 that our concerns should really be expressed
6 to the National Energy Board, since it is they
7 who will be considering the question of Canada's
8 need for gas in the future. The shortage of
9 gas or a delay in bringing frontier gas to the
10 market would, in our opinion, have a very
11 detrimental effect -- have very detrimental
12 effects on the construction industry, since
13 we do not believe that the hydro energy is
14 available in sufficient quantity to maintain
15 an adequate pace of construction, which is
16 the country's largest single employer."

17 Signed by Mr. Landa. I'd like to file those two, the
18 telegram and the letter, Mr. Commissioner.

19 (TELEGRAM FROM SYMPOSIUM ON NATIVE EMPLOYMENT
20 MARKED EXHIBIT C-421)

21 (LETTER FROM LAKEVIEW PROPERTIES LTD. MARKED
22 EXHIBIT C-422)

23 MR. WADDELL: Then call Mr.
24 Ahab Spence, the president of the Manitoba Indian
25 Brotherhood. Is Mr. Spence here?

26
27 AHAB SPENCE, sworn:

28 THE WITNESS: Mr. Justice
29 Berger, I welcome this opportunity to speak to the
30 Mackenzie Valley Pipeline Inquiry. Somehow, the

A. Spence

1 knowledge that the Indian people of Manitoba have been
2 down this road before causes a grave emotional feeling
3 inside my heart, and alerts my mind and soul as to the
4 seriousness of this hearing.

5 First of all, I want to tell
6 you that in spite of appearances, I am a Treaty Indian,
7 and I represent 42,000 Treaty Indians in Manitoba. We
8 have associations with all the Indian organizations in
9 Canada on a national level, and we are speaking in
10 support of the people of Northwest Territories.

11 Mr. Justice Berger then, in
12 your duty to the government to report on the social,
13 environmental and economic impact of the proposed
14 natural gas pipeline in the Yukon and Northwest
15 Territories, I know that I need not remind you, because
16 you are a man with a social concern and intelligence,
17 that you share a concurrent obligation to the Indian
18 people and non-Indian natives in the north to state their
19 position or stands as their own advocate. If I have
20 learned anything in my life-long commitment to the
21 Indian movement in Canada, it is the realization that
22 a powerless people have few friends; indeed, no friends
23 of any position of power. We have also learned that in
24 this country, big corporations find a willing and good
25 friend in the Provincial and Federal Governments. It
26 is beyond my comprehension how the Government of Canada
27 can work hand in hand with big corporations to exploit
28 a resource without benefit to the people, destroying
the environment and ignoring and neglecting and even
in some cases identifying the Indians as an obstacle to
development.

A. Spence

1 Mr. Justice Berger, we realize
2 that the terms of reference for your Inquiry do not
3 stipulate that you act as an advocate of the northern
4 people, but we expect, because it is morally right and
5 just, that you be the friend and advocate of the people
6 of the north.

7 Yes, we the Indian people of
8 Manitoba have been in the Mackenzie Valley Gas Pipeline
9 road to destructive development many times -- and each
10 time we emerged conquered and defeated. And it seems
11 that we can only manage to get back on our feet when
12 the government and its partner, the corporations,
13 introduce a new burden on our people. Indeed, at this
14 very moment my people are frustrated, anxious and afraid
15 about the hydro developments in Northern Manitoba. It
16 almost appears that hydro officials, with government
17 approval, are at liberty to do anything they like and
18 want, even to dishonor the treaty obligations by flood-
19 ing reserve lands. We speak with authority and experience
20 when we protest against developments which destroy
21 the way of life of our people. For example, in the year
22 1875, the Government of Canada made treaty with
23 Chemahawin Band on Cedar Lake. In surrendering their
24 ownership of the land, the Indian people received in
25 turn certain benefits including assignment of a reserve.
26 In less than 100 years (that is 1960), the Government
27 of Canada, the Province of Manitoba via the Manitoba
28 Hydro, expropriated that reserve for the purpose of
29 hydro development. Our experience has been, sir, that
30 the reserve lands we were left with after the treaty was

A. Spence

concluded, have been and are still subject to being expropriated for the benefit of other Canadians at the pleasure of the government of the day.

The Indians, the Chemahawin, were not informed of these plans ahead of time. They were simply told that their reserves would be flooded, that they would be relocated to a different area.

The result has been painful to the Crees of Chemahawin. In their new settlement called Easterville -- if there are any brethren of the cloth, they know what "Easter" means, this is the opposite to what "Easter" should mean -- they have not been able to transfer their former lifestyle. It is difficult to grow gardens in rock. It is difficult, in fact impossible, to live along the shore of a lake which still has not found a permanent shoreline.

In addition to the loss of a lifestyle, many of the people of Easterville are confronted with new social problems. There is an increase in alcoholism, violence, family breakups, juvenile delinquency; there is greater dependence on welfare. In the original settlement, such problems were practically non-existent.

Manitoba Hydro developed a plan to harness the Saskatchewan River near its mouth at the point where the most beautiful and mighty rapids used to be. Instead of harnessing the power of the rapids in its natural state, the officials of Hydro and their super-- so-called super engineers choose to dry up the rapids and create a man-made lake or Forebay

A. Spence

Reservoir which flooded the Chemahawin Cree Reserve.

As a more recent example of thoughtless hydro development, which ignores and neglects the human side of development, the Indian people of Nelson House, which you had a younger representative of the reserve just make a presentation before coffee break, stand to have a large area of their Indian Reserve land flooded. Commercial fishing, hunting and trapping would be put in jeopardy, causing the people to experience greater economic dislocation and hardship. Affected also by these hydro developments are our legal rights with respect to the lands reserved by treaty and our hunting and fishing rights. Mr. Commissioner, we have and continue even today to travel the Mackenzie Gas Pipeline road which only leads to our loss and misery.

I believe it is a basic human right for people to live in freedom from oppression. I believe that no human being should be oppressed by government or big business. I believe that Indian people have certain aboriginal rights and a fundamental one is the survival and continuance of Indian culture.

We, the Indian people of Manitoba, support the Dene people and their Declaration. We urge that a final settlement to their aboriginal and land claims be made before the construction of the Mackenzie Valley Pipeline. We are in complete support for their demand for a decree of sovereignty, never allowed to other Indians in Canada. We are in complete support with the Dene that such a settlement be one of land and

A. Spence

political authority over that land, not money,
compensation for extinguishment as was done in the
James Bay Agreement.

Many Canadians look to the
Northwest Territories as the last frontier. We agree
that it is the last frontier where humanity will prevail
over profit, where justice will prevail over wrong,
where freedom will prevail over oppression and where
both Indian and white society can cooperate, co-exist
and interact in harmony and dignity.

In this last frontier sir,
the Canadian public can do justice by not allowing
their government to repeat the mistakes and exploitation
of the past. The dislocation and disorientation of the
Indian people in their homeland must not go unchallenged.
Their independence and self-determination within the
country of Canada can only be brought about by a just
land settlement.

The Indian people of Manitoba
ask as sincerely as it is possible, ask of the Mackenzie
Valley Pipeline Inquiry and the Canadian public this.
Let freedom and justice be done in the last frontier.

Thank you very much.

(SUBMISSION OF AHAB SPENCE MARKED EXHIBIT C-423)

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner,
I would like to file with you at this point three
briefs. The first one is from Easterville, the place
that Mr. Spence referred to and there is a brief from
the native people there.

Father B. Teixeira

The second one is from Professor Brian J. Katz of the Faculty of Administrative Studies, University of Manitoba and the third is a letter from four people from Morris Manitoba and I will file these with you now.

(SUBMISSION FROM EASTERVILLE MARKED EXHIBIT C-424)

(SUBMISSION FROM BRIAN J. KATZ MARKED EXHIBIT C-425)

MR. WADDELL: I would call as our next brief Father Bryan Teixeira of the Inter-church Task Force on Northern Flooding, Archdiocese of Winnipeg. Father Teixeira?

FATHER BRYAN TEIXEIRA, sworn;

THE WITNESS: Mr. Commissioner, I would like to share with you what the Interchurch Task Force has learned from northern hydro development in this province as these learnings relate to the Mackenzie Valley Pipeline.

The Interchurch Task Force on Northern Flooding is a local ecumenical venture that claims the direct involvement of the Anglican, Mennonite, Roman Catholic and United Churches. Other local churches are also aware of our work and support us from time to time on specific matters.

Our Task Force began in the autumn of 1973 in response to some residents of South Indian Lake who stand to bear the brunt of the damage of the Lake Winnipeg - Churchill - Nelson Rivers hydro-electric project. This project intends to more efficiently use the water flowing north from Lake Winnipeg

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1 to the Nelson River as well as divert southwards the
2 Churchill River into the Nelson River in order to harness
3 the maximum hydro-electric potential of this latter
4 river.

5 Our Task Force soon learned
6 that while some 100 studies of this project were
7 commissioned by the Government of Manitoba and the
8 Government of Canada, the vast majority of these studies
9 were classified confidential. In the midst of our
10 struggle to gain release of this data, the Northern
11 Flood Committee was born. This is a committee of the
12 chiefs of the reserves that will be adversely affected
13 by the project. Our joint efforts finally met with the
14 release of these studies which however, were reclassified
15 unofficial.

16 Our national church leaders
17 became increasingly involved. This helped to further
18 legitimize our work in Manitoba. At this point, the
19 major churches are in agreement that there should be no
20 development prior to land settlement.

21 On April 3rd, 1975 a meeting
22 was held in Winnipeg that included several national
23 church leaders as well as representatives of the
24 Federal Department of Indian Affairs and Northern
Development, the Northern Flood Committee and our
Task Force. At this meeting, it was recognized that
the Manitoba Government had successfully scuttled
public debate and input on this project. The idea
surfaced of holding our own citizen-called public
hearings. Based on research into various citizen

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initiated action, we began to prepare for such hearings.

Mr. Justice C. Rhodes Smith, former Chief Justice of the Province and prior to that sat in the Manitoba Legislature and Cabinet accepted to chair our panel of inquiry. The panel was made up of six people, including such expertise as engineering, economic, human rights, ethics, anthropology and trapping. This panel then held the hearings as an independent body from the Task Force.

Mr. Commissioner, out of our experience as it has been focused these past three years and especially out of the final report of Mr. Justice C. Rhodes Smith, we feel we have learnings to share with you about northern development which apply to the Mackenzie Valley Pipeline.

Our concerns have two foci, the general moral and ethical concern for all life that continues as one of the perennial values of the church in our modern world and a more specific concern that the native peoples of this country be treated at least according to the law but also according to valid principles of social justice.

We wish to share with you Mr. Commissioner at least four major areas of learning.

1. Conflicting ministerial portfolios. In the Manitoba situation while both Federal and Provincial Governments have certain joint agreements regarding the project referred to, serious disagreement exists at least in the public forum as to the precise limits of jurisdiction of these governments and those elements of

Father B. Teixeira

1 project that touch on federal reserve lands. This
2 disagreement has served to focus the conflict of interest
3 in the portfolios of the two ministries that are at
4 the forefront of this issue, namely, the Minister of
5 Mines, Resources and Environmental Management and the
6 Minister of Indian Affairs and Northern Development,
7 the former being in Manitoba and the latter in Ottawa.

8 This is of special concern to
9 us in what pertains to the Federal Minister. The
10 federal department concerned has stated in writing to
11 our Task Force that the Province of Manitoba has no
12 rights to flood reserve lands. The Premier of this
13 province who also happens ^{to hold} the portfolio of Manitoba
14 Hydro had his lawyer appear before our panel of public
15 inquiry. This lawyer admitted then that the Provincial
16 Government has no mandate to effect reserve lands, but
17 no Court action has yet occurred.

18 This says to us that because
19 of conflicting portfolios, the public in general and the
20 native people in particular must be very wary of
21 trusting that our governments will indeed work in their
22 best interests. It also difficult to believe that
23 serious ethical reflection is involved in resolving the
24 inevitable conflicts of interest. This matter, to our
25 knowledge, is also at issue along the Mackenzie Valley
26 Pipeline route and in the work of your Inquiry.

27 2. Cheap energy. The compartmentalization of finances
28 allows Manitoba Hydro to say its process of hydro
29 development is cheap, but on the overall of the province,
30 this project will incur damages which will be suffered

Father P. Teixeira

mainly by northern native peoples. There will also be other calculable and incalculable losses in terms of wildlife and general ecology.

To the extent that losses are calculable, they may appear in one way or another in some other set of government accounts, for example, welfare, health and social development. Meanwhile, Manitoba Hydro itself can continue to boast of cheap power, but cheap power according to whose books? This consideration can certainly apply in the discussion of the Mackenzie Valley Pipeline. According to whose books is this project economically feasible? To what extent does long-term social and environmental damage enter into a cost benefit analysis of the pipeline?

Our experience in Manitoba leads us to believe that the importance of these matters is severely underrated by the planners and economists who work for the developers.

3. A lack of adequate prior public participation. The intangible interdependence of governments and developers is highlighted in our situation where Manitoba Hydro is a Crown corporation. This linkage produced the heightened sense of secrecy and confidentiality in the planning of the project.

The Manitoba Government even succeeded in side-stepping the already minimal requirements of public debate and disclosure by passing Manitoba regulation 207-72 under the Water Power Act. The public, outside of our brief public inquiry, has had little access to any alternative overall scientific or

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1 legal opinions on the project. The final report of our
2 panel underlined the inadequacy of written and English
3 communication with native people especially when such
4 communication is seen primarily as an informational
5 monologue. It also stressed that no consultation
6 occurred that duly respected the rights of the native
7 people involved in a way that allowed their inputs to
8 inform the planning of the project.

9 In this regard we are grateful
10 Mr. Commissioner for the work of your Inquiry and
11 especially for your holding hearings in southern cities
12 like Winnipeg. We sincerely hope that the many presenta-
13 tions made to you will have an effect on our governments,
14 but from our experience in this province, we would like
15 to say that this has not always been the case, nor is there
16 adequate assurance that governments are indeed listening
17 to the people prior to making decisions on major
18 energy developments such as the one with which your
19 Inquiry is mainly concerned.

20 4. Land settlement prior to development. Very closely
21 related to the need for prior public participation is
22 that of ascertaining who owns the land to be affected
23 by energy developments. In our province, in a situation
24 where because of Treaty Five and the Federal Government's
25 constitutional responsibility to uphold that treaty,
26 one would think that land settlements are as clear as
27 they can be, but even here there is dispute because of a
28 Federal - Provincial agreement in 1966 which the
29 Provincial Government interprets as allowing them to
30 impinge on the land settlement of Treaty Five.

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Mr. Lesaux, the Assistant Deputy Minister of Indian and Eskimo Affairs has stated in a background brief to our Task Force that:

"Canada's position is that the 1966 agreement does not in any way give Manitoba the authority to flood federal reserve lands, and that the province must seek and obtain prior approval from the Federal Government before any flooding of such lands is legally permissible."

Yet, reserve lands are being adversely affected already. The Federal Government has, to date, not moved in any effective way to counteract this situation and the native people are unsure if they can take a Court action in their own name or whether it must go via the Federal Minister who also holds the purse-strings of any such action.

This leads us to lend all possible support to the call of the native people of the Northwest Territories for clear land settlements prior to development. We also believe this should be done in a way that ensures those native people of effective control of their lands and allows them to act in their own stead for the good of their own people.

Before moving to our conclusions we feel it is important for us to also share some theological reflection on how we see the matter of your Inquiry in the context of the future of Canada. We believe that energy developments serve as a critical focus of several major Canadian issues. For example, national sovereignty, federalism, resource management

Father B. Teixeira

1 and government accountability.

2 The matter of your Inquiry is
3 then not of secondary importance to us southerners,
4 especially since it is in our name that projects such
5 as the Mackenzie Valley Pipeline are being proposed.
6 We feel that the touchstone or key to whether we respond
7 ethically to these issues however, will be seen in how
8 we deal with the native people of this country.

9 The Judeo -Christian scriptures,
10 especially the prophetic tradition recognize the value
11 of the poor for a society. It is the poor who serve
12 as a social conscience. They highlight by their
13 sufferings the seeds of destruction within a social
14 system that other citizens have come to live with or
15 ignore. The prophet then comes on the scene speaking
16 on behalf of the poor, for because their presence is a
17 salutary challenge to the society as a whole, also earn
18 the title of the "poor of Yahweh" or the "poor of God".

19 The prophet Habakkuk phrased
20 it this way:

21 "Trouble is coming to the man who grossly exploits
22 others for the sake of his house to fix his nest
23 on high and so evade the hand of misfortune, you
24 have contrived to bring shame on your house. By
25 making an end of many peoples you have worked your
26 own ruin."

27 The prophet Amos cried out
28 against his society by underlining the fact that the
29 comfortable life of so many of his contemporaries was
30 based in crushing the poor. Amos said:

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"Trouble for those who turn justice into wormwood,
throwing integrity to the ground and hate the man
dispensing justice at the city gate and detest those
who speak with honesty. Well then, since you have
trampled on the poor man, extorting levies on his
wheat, those houses you have built of just stone,
you will never live in them, and those precious
vineyards you have planted, you will never drink
their wine."

European society is aware of
how the Jewish race has been a sign of contradiction
functioning in the scriptural sense to highlight the
seeds of destruction among us. On the international
level, the poor of Yahweh, of the aboriginal peoples
of the world, the Indians, Metis and Inuit of Canada
are the poor of Yahweh, clearly warning us of the
destruction among us. Lending even the darker
color of their skins, they make the injustices in our
midst more visible to our white eyes. To fail to
recognize this would be a great tragedy for the future
and integrity of this country.

All the above may be summarized
in two practical conclusions:

1. Land settlement prior to development. We firmly
believe that if the whole matter of the proposed
Mackenzie Valley Pipeline is to be dealt with justly,
then ownership of the lands to be affected must be
clarified prior to final decisions on the proposal.
This will allow for the effective control of those lands
that belong to native people by those same native people.

Father B. Teixeira

1 It will also ask Canadians to reassess their values
2 towards a more just and sustainable socio-economic
3 systems in view of the total world scene and the need
4 for more equitable management of the earth's limited
5 resources.

6 It should be noted there's
7 another way of phrasing land settlements prior to
8 development is to call for a moratorium of ten years.
9 This Mr. Commissioner was also a suggestion of the
10 final report of our panel of public inquiry in regards
11 to the Churchill River diversion phase of our northern
12 hydro-electric development.

13 2. And secondly, need for a process of participation.
14 The final report of our inquiry also made the following
15 recommendation in regards to public participation which
16 we feel could be of value both to the governments of the
17 Northwest Territories and Alberta and indeed to all
18 provinces.

19 "We recommend that a permanent body be established
20 by the Manitoba Government whose function would be
21 to investigate and advise upon all projects from
22 which it may be anticipated that there will be
23 injurious impacts upon the environment or upon
24 persons or particular groups of people. It would
25 be appointed by Order-in-Council under statutory
26 authority and would report directly to the
27 Executive Council, not to a particular Minister since
28 its investigations might relate to any one or
29 more of a number of government departments."

The final report recommended

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that this body could hear from all persons desiring to speak including persons whose only direct concern is the protection of the environment or of the rights of minority groups like Indians and Metis. This body was also understood to cover projects of private corporations or persons, as well as those of a government agency or of the government itself.

We suggest that such a body is a necessary part of legally ensuring public participation in large scale development. We recognize your Inquiry Mr. Commissioner as something of a forerunner of such an institution. We trust that this sharing of what we are learning in Manitoba is of value both to yourself and the native people who stand to be adversely affected by a precipitous development of the Mackenzie Delta.

Mr. Commissioner, we thank you for what you are doing and for coming to Winnipeg.

(SUBMISSION OF THE INTERCHURCH TASK FORCE ON
NORTHERN FLOODING MARKED EXHIBIT C-426)

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner, before calling the next brief, I'd like to table with you some further briefs. The first one is from the CUSO -- The Canadian University Service Overseas, the Winnipeg Urban Committee, Michael R. Angel - A-n-g-e-l Chairman.

The second one is from Alliance Against Abortion, Joseph P. Borowski, Chairman.

The third one is from Frank

Cserepy, a private citizen and it's entitled "The
 Cultural Significance of Land".

The fourth one is from
 Ms. Heather Menzies of Winnipeg, Manitoba and I'd like
 to table those with you.

(SUBMISSION OF FRANK CSEREPY MARKED EXHIBIT C-427)

(SUBMISSION OF CUSO URBAN COMMITTEE, WINNIPEG
 MARKED EXHIBIT C-428)

(SUBMISSION OF ALLIANCE AGAINST ABORTION MARKED
 EXHIBIT C-429)

MR. WADDELL: Mr. Commissioner,
 I next call Mr. Ken Emberly.

KEN EMBERLY, sworn;

THE WITNESS: Mr. Commissioner,
 I wonder if that Bible is the same one that was used by
 the people that gave testimony on the oil and gas
 reserves in public hearings in Ottawa in 1971-72. I
 would humbly suggest sir that you ask your researchers
 to produce for us a very simple chart, just on one sheet
 of paper showing the estimated gas reserves which have
 been officially produced by the oil companies and
 accepted by the Government of Canada during the last
 15 years. Put it on one sheet of paper and then
 follow it during the next ten years and see how interest-
 ing a story it makes. I'm sure it will be fascinating
 reading.

One thing that I wish to make
 tonight that I hadn't thought of before. We wonder
 why they have to develop the Mackenzie Valley Pipeline,
 a pipeline they tell us that is going to be as long as

K. Emberly

from Fort William and Port Arthur to Vancouver. Every country wants to control the natural resources that their lives depend on. Canada wants to control her natural resources. The United States wants to control their natural resources. When you use up the natural resources in your own country, you have to go out and buy the resources available at the cheapest possible price under the best possible terms from a pliant, friendly, easily bullied government and you look for an organization or a country that you can influence politically, economically and militarily.

There is only one reason why the United States loves Canada as a source of resources. They can get them quickly and easily because it's on the same continent. We have had a government led by distinguished businessmen and financial leaders who have always been very willing to sell Canada out to the United States cheerfully and happily and they can dominate Canada politically, economically and militarily. The gentleman suggested that we should cut off gas exports to the United States, is a very nice, completely impractical suggestion.

Dr. Henry Kissinger would never accept it. But we have a right in our own country to try and reduce the amount of exports in a reasonable amount over a reasonable period until they do reach a low level so that the no gas line isn't necessary at all. But to make a ridiculous proposition to shut them off completely we would have the military forces besides the economic forces here tomorrow. So it's

K. Emberly

totally impractical.

The other suggestion that we should have our natural resources operated by the government to me this is sort of an ideal suggestion. If we could have Manitoba Hydro and the Manitoba Government controlling all our resources, our troubles would be over. No, no, maybe that doesn't sound right Mr. Chairman. No, that's not at all. That's the whole reason we are in trouble.

This is a life and death fight simply for the things that we were told we were fighting for in the Second World War, democratic government, freedom of information, intelligent economical operation of business organizations in government and the fact that it doesn't operate that way speaks very poorly for our country. The people that argue and fight for a democratic government shouldn't be made to feel ashamed that they're standing up and fighting for a democratic government. It should be a thing that's accepted in the nation.

My brief Mr. Chairman consists of a number of items that I've collected over the years that I feel have value for you. I have from the United States Information Service the magazine "Dialogue", an article on alternative technologies.

"The high technology industry that is the basis of any gas pipeline is based on the intensive use of capital and machinery. They need a sum of money equal to almost 40 times the average annual earning of a person to provide and finance a job."

K. Emberly

This is the whole purpose of capital intensive, machine intensive industry. It is the best way to provide unemployment. It is the best to create financial troubles for our country. We have on record in the magazine "Business Week" which last year published a special article on the capital crisis, a United States record that they will require \$4,500 billion in the next ten years to finance their capital projects, and it suggested that even if they sell one quarter of the ten largest companies to the Arabs to get cash, they still won't have all the money they need.

Tonight in the newspaper, we have the Minister Don Jamieson saying that "Well, Canada only needs \$800 billion in the next ten years to finance growth and jobs and natural resources." For a country one-tenth of the United States to require one-sixth as much money as the richest most advanced technology nation in the world, it doesn't make very good economic sense sir. I suggest that when they are planning on spending two to three hundred thousand dollars to finance each job in the north country for building pipelines, they are not thinking about the little, poor, ordinary white man or Indian or Metis or Eskimo that lives in the north country. These are only advanced technology jobs that southern Canadians and southern Americans will use.

The analysis of the economic consequences of these developments is staggering beyond imagination. It doesn't make any rhyme or reason

K. Emberly

1 the method of operation and this why I suggest Mr.
2 Chairman that the native peoples demand for a right
3 to control some their own country is the same essential
4 demand southern Canadians are fighting for in our
5 own cities. There have been well documented stories
6 in Toronto, Vancouver, Edmonton and in Winnipeg of
7 local communities fighting a life and death struggle
8 against giant developers moving out into small communities
9 with outrageously large developments that are out of
10 human scale, that make no economic common sense except
11 to the developer's chance to make a fast buck.

12 Environment impact studies
13 not cost money. All they do is show the final
14 total cost of the project and allow you to redistribute
15 the costs among the different people that are going to
16 benefit. So many times the little people pay the
17 outrageously large price for the benefit and the
18 developers reap the outrageously large profit.

19 One of the things that
20 consumes so much of our energy and causes our energy
21 problems in this country Mr. Chairman is the hopeless
22 inefficiency of our North American agriculture. 45%
23 of the world's resources and energy are used in the
24 North American continent by 6% of the world's population.
25 Going on the scale of development that is planned
26 by the United States and Canadian Governments working
27 hand and glove together on the continent, it is planned
28 that before twenty years has gone by, another five to
29 ten percent of the total energy resources in the
30 world will be needed by this six percent of the

K. Foberly

population. The rest of the people in the world are going to be satisfied with what's left. Except by then there will be twenty countries with nuclear bombs and if you think we're going to get away with it Mr. Chairman -- I know you wouldn't probably think that, but there's is all kinds of people in the business world who just want to wash this under the chairs and not even think about it.

North American agriculture is one of the largest consumers of energy, and 80% of the energy consumed in North American agriculture is used in the packaging and transportation of the products. The average civilized North American consumes in his life-time 30 times as much energy, minerals and natural resources and six times as much land and food as the average primitive African, Indian or Chinese. The impact on the world's environment of the 250 million advanced technology North Americans is equal to the impact of 7 billion, 500 million primitive natives in the hinterland on other continents, including Canada.

The blight on the landscape of our planet is not the primitive natives but the highly civilized, high technology, big city machine farming North Americans. Every analysis of agriculture indicates that the primitive, ignorant peasant in a local situation in China or Africa plowing his own simple field of one or two acres, hoeing it, working with a bullock produces a profit 15 times what he consumes in the production of his grain crop. For every

K. Huberly

1 15 calories of energy he produces in his grain harvest,
2 he only needs -- he and his animal only need to eat
3 one calorie of energy in the straw and the grain that
4 they raise themselves.

5 North American agriculture,
6 for every 15 calories of energy we produce in our
7 grain harvest, we consume 16 calories of energy in
8 the production of fertilizer, natural gas, oil and
9 energy. Mr. Chairman, we're not doing the world a
10 favor. The world can't even afford to have us doing
11 them a favor.

12 Our Garrison Diversion Project
13 in the United States is the most unbelievably ridiculous
14 thing. One of the great benefits ^{that} they plan to do is
15 take a dry grain farming area which during the last
16 forty years made an adjustment of reducing its population
17 100,000 to reach a level at which they could survive in
18 the economy. Dry land farming was very successful.
19 By the expenditure of \$1 billion on hydro-electric
20 projects, the destruction of the environment, the
21 cutting through of the natural divide, the purchasing
22 of Canadian electrical energy at low cost so they can
23 pump dirty, contaminated water into Canada, they are
24 going to produce sufficient business, profitable
25 business and intensive feed lot operations that they
26 can support an additional 100,000 population in the
27 province.

28 The feed lots take the grain
29 and for every 100 pounds of grain, for every 100 pounds
30 of protein and calories in the grain they feed to a beef

K. Emberly

1 cow they produce seven pounds of calories in grain and
2 93 pounds of manure, and we're going to get the manure
3 of here.

4 Now, this is the basis of
5 the operation of our economy that tells us we need
6 more energy for the good of the world. It goes into it in
7 a little more depth Mr. Chairman in my article, but it
8 makes your hair stand on end sir to see the absolute
9 childish, ridiculousness of the arguments. They're not
10 based on fact at all.

11 On the other hand, violence.
12 We've heard a lot of talk about violence, even the
13 filthy headline in that thing we call the news media.
14 Violence is already there in the north country, sir.
15 Explaining the ^{problem} in the north to most of the leading
16 political and legal great people is like explaining
17 how a rocket goes to the moon to a stone-age aborigine.
18 They just can't understand, because mainly they know so
19 little and care less. At least three kinds of violence
20 exists in the north today on a large scale; the long
21 established violence of people to each ^{other} so often caused
22 or made worse by alcohol, and now gasoline
23 and snuffing. This will steadily worsen as the programs
24 of hydro and governments to turn them into white
25 people proceed in the accelerated rate. Only now
26 are competent people beginning to attempt to solve some
27 of these problems in our north country in Manitoba.
28 A second example of violence
29 is the large scale violence against nature. The native
30 people with their ancient religion so deeply involved

K. Emberly

1 with the land, water, trees and wild creatures are
2 enraged at this sacrilege. To see the ripping up, the
3 tearing down and the large scale uglifying of the land
4 affects the Indians just as good Catholics would be
5 affected by the bulldozing of the Vatican to make room
6 for a shopping center and a hotel.

7 The callous disregard, Mr.
8 Chairman, of any conservation of fish, wildlife,
9 valuable timber was well documented in briefs to the
10 Inter-Church Hearing on Northern Flooding. Even the
11 possibility of the loss of the great trout in the
12 plentiful north country. Complete loss of the trout
13 in the biggest river left in the north country is an
14 accomplished fact. We have the government -- the
15 government of the people for the people against the
16 people. They announced a program, the only seaport
17 in the center of a continent 2,000 miles away from
18 the sea coast, the only sea port. The Manitoba
19 Government, the day after the Federal Government
20 announced a program to think about enlarging the
21 terminal facilities at the airport, the Manitoba
22 Government announced a program to drain the Churchill
23 River.

24 They get through with that,
25 now along comes the colonial administrators from Ottawa.
26 They made a mistake and for one year they had an
27 intelligent man running the port of Churchill and it
28 began to build up a little bit. Now, the colonial
29 administrators have decided that the port of Churchill
30 will be administered from southern Ontario and there's a

K. Emberly

1 possibility at the closing of the port. This, sir,
2 is absolute stupidity, criminal stupidity and our
3 country can't afford the cost. It's because of the
4 lack of any intelligent local control and people used
5 to call that democracy.

6 If you can't control your
7 government, it's not democratic and the people do not
8 have to tolerate it. Violence against a man, home,
9 his job, his place of business and his lifestyle is the
10 third kind of violence and it's well established in the
11 north country.

12 The Prime Minister and the
13 Premier and Chairman of Manitoba Hydro acting for all
14 of us greedy southern Manitobans, they send in their
15 smartly dressed lawyers with smooth and polite forked-
16 tongue they say: "Get out of your house. Get off the
17 trapline land. It's mine now. I'm taking this water
18 and for 200 years this lake is ruined for fishing.
19 We're bringing whites to hunt the moose and if you're
20 hungry, too bad. If you want your home, if you want
21 your trapline, your hunting and your fishing replaced,
22 send your lawyer to see my lawyer and maybe in a few
23 years, we'll replace them if you can prove your legal
24 title and can prove we have to."

25 That's the way the Manitoba
26 Government operates. That's the way the Manitoba
27 Hydro operates, Mr. Chairman, and I beg of you, don't
28 let them get away with it in your Inuit land.

29 Let's be honest. This present
30 Manitoba Government has tried harder to help our

K. Emberly

northern native people than any other but they have done some dreadful things in the course of bringing the good life to southern Manitobans, they are doing awful things in the north with the massive modern technology.

They say the Indians are threatening violence in the north. What a stupid lie. We live in the world's greatest democracy and our Indians are following the white man's teaching to participate in shaping the policies that will bring the white man's lifestyle into the north. These dark skinned men and ladies in wind-breakers and parkas coming into our hearings are doing just what they were told to do, work within the system. Use the tools provided to effect peaceful change.

For one hundred years, no country has had a less violent, more peaceful abused minority than Canada's Indians, Eskimo and Metis. Many of our native people have lived a whole lifetime, twenty to eighty years in their north country. Some men and women have raised fine families, held jobs, taken responsible positions in their communities of leadership, operated fishing and trapping enterprises with great success. Many have held strongly to their nature, religion and some of the young ones are ardently committed to it. There is a strength of character and a dignity that comes to one that struggles for a lifetime with the natural elements in hunting, fishing and trapping and just ordinarily daily living in the primitive conditions of the isolated north.

K. Emberly

1 If the one who looks isn't
2 too puffed up with his own pride and his own arrogance
3 and his superior school education and his fine clothes,
4 these qualities can be noticed.

5 I predict it will all be
6 different ten years. Remember in 1960, sir, the silly
7 doomsday forecasters who warned us that the Arabs
8 thought they were smart enough to run the Suez Canal
9 and build oil refineries and they thought black-skinned
10 people were smart enough to govern themselves. Such
11 ridiculous notions. Remember the talk of self-determina-
12 tion and fighting democracy? There's a list of it a
13 mile long.

14 I ask you, sir, if the aim
15 -- if the aim of the government is to drive all the
16 violent Indians back to the United States and that
17 should be the aim of our government, there's only one
18 way to do it. Treat the Indians who are elected
19 democratically to run the Indians' affairs for the
20 Indian people, treat them like they were decent human
21 beings. Deal with them in fairness and in good faith
22 and if that isn't done, we will reap what we sow.

23 There will likely rise up a
24 new generation, a fair number of disillusioned,
25 embittered people who have tried and tried and tried
26 to make peaceful change and Mr. Sykes and the people
from the development companies will say "We've got to
take guns and kill off these violent people", but the
only violence that will ever come will be a reaction
to the violence put into the north country by the big

K. Emberly

1 developers especially the government.

2 Sir, if you want to hear the
3 most disgusting and revolting thing that ever happened
4 to us, at our dialogue conference here that was held
5 last week at our Convention Center which was mentioned
6 by the geography professor, I had to sit in the room
7 and listen to three developers say, "Well you know,
8 if we come across a natural resource and it looks like
9 it's going to be used up in 25 or 50 or 100 years,
10 go ahead and use it up. It's ours. Use it. You've
11 nothing to worry about. The scientists will develop
12 a substitute before it's all used up." There isn't
13 one shred of evidence to indicate that foolish
14 confidence in the scientists.

15 Do you know who made that
16 statement? The dearly respected Monsieur Chaput of
17 the Imperial Oil Company, the beloved leader of our
18 Manitoba Government Environment Department. He said
19 the very same thing because he's a developer, and
20 Dr. Nickel, the head of our Natural Resources Environ-
21 ment Institute of the University of Manitoba said
22 exactly the same thing. "If you find a resource and
23 can get your hands on it, use it up". What about the
24 next five, ten, twenty, thirty generations of peoples?

25 Man has been on this planet
26 for almost two million years. I ask you, Mr. Chairman,
27 in the evidence of that kind of violence, that is
28 the kind of violence that we have to fight against,
not the violence of our Indian people who are the most
peace-loving and gentle people that you would generally

K. Umberly

one across. You know that sir, having lived in the
with country. Except when they're drunk.

Democratic government and
native land rights, sir, is the whole key to your problem.
I ask you to consider this sir. The government and
big companies say that they have the political,
economic and military power to make primitive people
accept a new lifestyle.

Yes sir. The other people
only took twenty minutes. I'll try and make sure I
only take twenty minutes.

Let us look at a parable sir.
Take the Town of London, Ontario and its hinterland
of farm land. Let the government decide on a new
cooperative, friendly lifestyle like in the Hutterite
communal colony where no one owns any private property,
no private homes, cars, snowmobiles, cottages or
buildings. Now let us develop a new world lifestyle
of hunting and fishing and logging, replace the
factory and farm economy. The city will be dispersed
and villages of wooden buildings will replace it. The
farms will be replaced by forests and traplines.
Daily our day will be replaced by a variable zero
to twenty hour day depending on the season and the
weather.

The main power of the city
and rural councils will be replaced by a council of
brown-skinned people appointed by Ottawa and the trapping,
fishing and logging companies. Children will be
kidnapped 500 to 2,000 miles away and raised in dormitories

K. Emberly

1 to keep them free of family influences and love and
2 to educate them in the new lifestyle. Alcoholism
3 and prostitution will multiply five times.

4 I ask you, sir, would white
5 people accept change as peacefully that you demand of
6 the northern peoples? Nobody in their right mind
7 in southern Canada would put up with that kind of
8 nonsense. We have probably one of the finest hypocritical
9 Federal Governments in the world establishing price and
10 wage guidelines for the working people but exempting the
11 40% of the economy controlled by the governments,
12 Federal and Provincial. The Government of Canada is
13 asking trade unions to organize a general strike just
14 at a time when most of the people in Canada are so
15 fed up with trade unions, they'd do anything. But the
16 government, by their stupid policies is splitting the
17 country apart and carrying on an outrageous -- outrageous
18 program.

19 But the people will not put
20 up with it. The working people, the respectable trade
21 unions, working people are organizing a general strike
22 to smash the Government of Canada and I ask you, sir,
23 is that not violence?

24 They talk about the violence
25 in the north country but the Indian and the Eskimo
26 people are not bringing violence ^{the} to north country.
27 There are a number of other parts to my brief sir.
28 The most important part, but I only have two minutes
29 left, Mr. Waddell. Thank you, sir.

30 I wrote one for our National

K. Emberly

1 Parks on saving our last river valley. Now you want
2 to build something -- not you but the people want to
3 build something close to the Mackenzie River valley
4 sir. I ask you in the name of God, think how in fifty
5 or a hundred years there will be anything left of our
6 Mackenzie River valley if they're turned loose full-tilt,
7 full scale.

8 Barbara Ward has a little
9 tiny article, she made a beautiful speech at our
10 University of Winnipeg on the environment, the
11 destruction of our natural resources. We do not need
12 to concern ourselves with the development of a new
13 gas pipeline. We have to concern ourselves with
14 conservation, prudence, economy, thrift. Every serious
15 study documents 50% of the energy burned in North
16 America is wasted. 35% of the energy burned apartment
17 block that have one meter is wasted. People just leave
18 their lights and their heat on.

19 Our own companies that produce
20 cement wastes 70% of the energy they burn to manufacture
21 cement because they won't use the European method of
22 recycling the heated products that are in the cycle.
23 All we need to do is refuse to allow these outrageous
24 project and we may save our country economically -- our
25 country. We may save our country natural resource-
26 wise and we may make our country sufficiently economically
27 competitive and efficient that we can compete in the
28 modern world. That is my suggestion sir.

29 Thank you for your courtesy.

30 (WITNESS ASIDE)

R. Johnstone

MR. WADDELL: Mr. Commissioner,

I'd like to call as the next brief -- I'd like to jump down a little bit on the list and call Mr. Roy Johnstone of the Prairie Environmental Defence League and I wonder if I could speak to Dr. William Close? I'd like to know if Miriam Nixon's here.

ROY JOHNSTONE, sworn;

THE WITNESS: Mr. Commissioner,

I'd like to thank you for giving me the opportunity to present this brief on behalf of the Prairie Environmental Defence League.

I'd like to start off with a quotation:

"The Canadian frontier has been the source of romantic vision and attachment throughout our history; the fur trade, the timber trade, the immigrant farmers, the building of the railways. But each new frontier created its victims as well as its heroes and the greatest victims have been the native people of Canada."

It is the intention of my brief to present supporting evidence for that statement and to question the policies that have contributed to the victimization of native peoples in Canada.

The migration from western Europe had a very detrimental effect on the lives of the indigenous people of Canada. The development of the fur trade was the initial onslaught of a profit orientated, exploitation of native people and their land. The previously independent native economy was systematically

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undermined and incorporated into a larger world mercantile economy and native trappers became dependent on foreign goods for their survival. The decline in the fur prices in the 1930's and 1940's brought disaster to northern natives. This was followed by the pulp and paper industry, mining, and later oil and natural gas.

Each resource demand from various corporate groups such as the Hudson's Bay Company, the Churchill Forest Industry, Falconbridge, Exxon and many others have been supported by government policy. The pattern of resource exploitation and the signing of treaties is proof that only when there was a valuable resource to exploit was a treaty signed. The treaties are written evidence of their intentions and I'd like to quote a clause from Treaty #8:

"And whereas the said Indians have been notified and informed by Her Majesty's said commission that it is her desire to open up for settlement, immigration, trade, travel, mining, lumbering, and such other purposes as to Her Majesty may seem met."

The treaty supposedly guaranteed the native people rights to their traditional way of life and I'd like to quote again from Treaty #8:

"And Her Majesty, the Queen, hereby agrees with the said Indians that they shall have the right to pursue their usual vocation of hunting, trapping and fishing throughout the tract surrendered as heretofore described, subject to such regulations as may from time to time be made by the government of the

R. Johnstone

country, acting under the authority of Her Majesty
and saving and excepting such tracts as may be
required or taken up from time to time for settle-
ment, mining, lumbering, trading and other purposes.

What rights? What a
hippocracy. The treaties also established reserves
which place an impossible burden on the food resources
in the immediate area.

(SUBMISSION OF M. RANCE MARKED EXHIBIT C-430)

(SUBMISSION OF PRAIRIE ENVIRONMENTAL DEFENCE
LEAGUE MARKED EXHIBIT C-431)

This created a dependency on government assistance. Schools were built, and housing and health care/welfare programs were established. From this point to the present, native peoples in the north have been forced to undergo a rapid change from a seasonally migratory lifestyle based on hunting, fishing, and trapping to a town-based, bust-boom, wage, labour economy. Although some of the conveniences of modern living are available, and I don't use the word "modern" necessarily synonymously with "progressive," native northerners have become increasingly more dependent on agents of southern-based institutions for virtually every aspect of their life. While wide-spread disease and malnutrition have been reduced, native independence has been continually eroded.

Social disintegration, cultural genocide, disease, alcoholism are the specters of our intrusion into the north. It is obvious that it is not the native people who have benefited from northern development.

Northern development is the responsibility of the Department of Indian and Northern Affairs, but development for whom? By whom? Who benefits? Who controls? These are the critical questions that must be asked. The recent discovery of oil and gas at Prudhoe Bay in Alaska in 1968 created a sudden new interest in northern resources. Oil companies flocked north to carry out seismic exploration and to drill on native-occupied lands.

The Canadian Government,

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accepting the oil and gas reserve figures from the Canadian Petroleum Association, met behind closed doors with representatives from the oil and gas industry and collaborated to develop resources in the north for the U.S. energy market.

The wishes of the native people were never considered seriously when development decisions were made. The rapid exploitation of northern gas and oil reserves will only serve to accelerate the social disintegration of native communities unless they have some control over its development. They are not opposed to development, but the development must serve the needs of the people in the north as well as the south.

High consumptive habits created by profit-orientated interests have encouraged wasteful, polluting, and exploitive uses of energy resources. The implications of this on northern development policies and the tragic effects on native people are obvious. It is imperative to question present resource development policies and the decisions regarding their realizations. Public participation in those decisions must be facilitated and encouraged.

The Dene and Inuit people have made their position very clear. No pipeline should be constructed until their land claims have been settled. This land claim should not extinguish their aboriginal rights; it should preserve them. The Dene Declaration requests self-determination, the right to govern themselves through institutions of their own choice,

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1 guaranteed long-term political security, assurance of a
2 land base sufficient to allow some degree of control
3 over future political and economic development in the
4 north, economic self-reliance. The Dene and Inuit
5 people realize the necessity of adequate control of
6 economic resources is necessary to make their political
7 will effective. Lastly, cultural survival, recognition
8 of the Dene and Inuit people as a culturally distinct
9 people, free to determine their own cultural develop-
10 ments.

11 This is not a separatist
12 statement; it should be their democratic right. I
13 would hope that one of the purposes of this Inquiry
14 should be to draw parallels between northern develop-
15 ment regarding the Mackenzie Pipeline and developments
16 in other parts of Canada. Along this vein, I would like
17 to explore a resource development which could potenti-
18 ally affect native people in northern Manitoba and the
19 Northwest Territories.

20 Polar Gas Company has been
21 exploring oil and natural gas reserves in the Arctic
22 Islands north of Hudson's Bay. Pan-Arctic Oils Limited
23 was formed by Polar Gas Company to conduct a major oil
24 and gas exploration in this area and over 240 million
25 dollars have been committed to date. Already, a propo-
26 sal has been made to the Manitoba Government to support
27 the construction of a pipeline to transport these
28 reserves from the Arctic Islands. Again, we are
29 witnessing the decision to exploit resources without
30 consultation with the people who will be most directly

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affected, the Dene and the Inuit. In a recent statement by John D. Holding, president and chief executive officer for Polar Gas Company, he stated that the project had emerged from the "go, no go stage". He stated that the choice is "go". But whose choice? Not the native people who will be affected. They don't even know about the proposal.

This massive project, estimated seven and a half billion, will have similar social, economic and cultural implications as those of the proposed Mackenzie Valley Pipeline. The grim irony of this is that one of the communities that will be affected has already been heavily victimized by external institutions.

For nearly three centuries, the Dene of what is now called northern Manitoba, produced fur trade profits for the Hudson's Bay Company. In return, their basis for self-reliance and independence was consistently undermined. In the late 1950's, the Duck Lake Band was relocated to Churchill in a decision involving the Federal Bureau of Indian Affairs, provincial biologists and the Hudson's Bay Company. The operation was typical of the Indian Affairs policy at that time: centralization and integration of native people into the southern economy. Within a decade, the social and economic setting at Churchill had almost totally devastated the remaining social independence of the Duck Lake Band. By the early 1970's, about one-third of the community, approximately one hundred people, had died violently in shootings, fires, from alcohol, disease, and a host of other tragic accidents. In about

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M. Nixon

1969, individual families began an exodus from Churchill. Opposed by Indian Affairs, the Dene initiated a move to Redoubt Lake to preserve the remaining fragments of their lives. As a result, these people have been able to redevelop some real economic and social independence.

With proposed developments like Polar Gas on the horizon, the renewed strength and pride of this community may be undermined. How many millions will be spent on Arctic resource development before an inquiry process such as we are witnessing here tonight is established? Are we going to see the same victimization of the Dene repeated with northern development and with the development of Arctic gas and oil reserves?

The history of northern development is ample evidence that the policies and procedures in the past must be changed. These are not issues of white versus native. They are not just economic and political issues. They are questions of a moral and ethical nature, questions which all of us must answer. We, therefore, demand a moratorium on resource development in the Northwest Territories until the native land claims have been justly settled.

Thank you very much.

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner,
have two or three short briefs that will conclude
the testimony of Miriam Nixon.

MIRIAM NIXON, sworn:

THE WITNESS: Mr. Commissioner,

M. Nixon

I'd like to suggest that you might make your fortune when this is all over by writing a book on the art of listening. Who am I? I am a Canadian citizen whose conscience prompts me to present a short brief to your Commission.

I am a Canadian citizen who is not an expert on what we are doing to the environment in our country but I am concerned about it. I am a Canadian citizen who is not an expert on the history and culture of the native peoples but I am concerned about what Canadian people have done to the native people of Canada. I am concerned about how we have contributed to the destruction of the culture of Canada's native peoples. Because of these concerns, I am a Board member of the Canadian Association in Support of the Native Peoples. In that position, I have listened to many native people from the north discuss their fears about the damage the pipeline could do to their land and to their life. Like us in the south, they desire to control their land and their life.

You have spent many months listening to these people and many others, so you are very well informed about the desires of the Dene people. After I read the synopsis of the Mackenzie Valley Pipeline Inquiry, I had a great deal of difficulty in deciding on what to say that would be of any value to the Commission. However, it should be of some value to you to know that there are people in the southern part of Canada who are questioning the long-range value of the pipeline.

We have heard many conflicting reports. Many people in the south are indeed wondering whether we need a pipeline at all. Many of us in the south have seen what the white man's "progress" has done to the native peoples. Many native people have come to Winnipeg from northern Manitoba because their way of life in the north has been destroyed by our progress again in the north. We have seen how difficult it is for these northerners to learn to live in our society. We have seen what it cost these people in loss of identity. We have seen what it costs us in social services to attempt to remedy the situation.

Even if the Commission concludes that a pipeline is necessary to the development of Canada and that the ecological and socio-economic damage will be negligible, the pipeline should not be built until the land claims of the Dene people are first resolved. It is up to the inhabitants of the Mackenzie Valley to decide for themselves, given all the facts, whether the pipeline could be compatible with their way of life.

The interests of the native people of the north, as well as the people of the rest of Canada, cannot be met until the land claims of the Dene people have been settled. We can build a pipeline later or we can build another method to transport gas, but to rebuild a culture and a society is much more costly in time and dollars and I'd like to close with the words of Ella Wheeler Wilcox:

"Why build these castles glorious if man unbuilted

M. Nixon
B. Stearns

1 goes. In vain we build the world, unless the
2 builder also grows."

3 (WITNESS ASIDE)

4 MR. WADDELL: Mr. Commissioner,
5 I call upon Brent Stearns, representing the Winnipeg
6 Civil Liberties Association. While he's coming up, I'd
7 like to file a statement from Sperling, Manitoba, it
8 says "from a group of rural residents". I'll file that
9 with Miss Hutchinson.

10
11 BRUCE STEARNS, sworn:

12 THE WITNESS: There are a
13 variety of questions of morality, social policy, law
14 and human relationships bound up with the Mackenzie
15 Valley proposed project. As a representative of the
16 Winnipeg Civil Liberties Association, I want to concen-
17 trate on our specific concerns with respect to the Inuit
18 and Dene peoples. Strictly speaking, we do not see civil
19 liberties issues at stake here. The rights of property
20 are not absolute. Under certain conditions a pipeline
21 may be laid across my back yard without violation of
22 my civil liberties. As we see it, the question has
23 more to do with human rights, quite apart from civil
24 guarantees of freedom and due process. And the specific
25 right is that of being fairly dealt with before major
26 action is taken which will have the effect of disrupting
27 one's home and livelihood.

28 Now what we are dealing with,
29 at least in the case of the Dene people, is a group of
30 people who claim cultural identity and even nationhood

B. Stearns

1 in some sense, a group of people who deny that the
2 Canadian Government is their government. These people
3 regard themselves as alien to us/and wish to be treated
4 as having all the rights of alien peoples. One of the
5 features of liberal democracy that we want to preserve
6 is that government must be by consent of the people. It
7 is not important that people make an explicit agreement
8 to obey the state. But it is important that people
9 recognize the legitimate sovereignty of the state so
10 that they can obey the laws, not simply because they are
11 compelled to do so by the state's powers of enforcement,
12 but because they see the government as having legiti-
13 mate authority over them. Now in the case of the Dene
14 people at least, this sense of legitimacy attaching to
15 the Canadian Government, a sense that we have, is
16 lacking. As they see it, they are faced with superior
17 power alone, a power they realistically acknowledge, but
18 not a power that carries with it a moral claim to their
19 obedience. They too have a right to government by con-
20 sent, a right asserted for all peoples by the United
21 Nations, and a right that Canada should take seriously
22 and sympathetically.

23 It is arguable at this time
24 that the Dene people have aboriginal rights to the land
25 in question. There are precedents for the recognition
26 of aboriginal rights in international law and in Cana-
27 dian law. It is arguable that the Dene people have
28 never ceded their land by treaty to Canada. I should
29 think, then, that the reasonable course would be to
30 reach some agreement with the Dene people on these
points before any pipeline is built through their

P. Stearns

territory, which I believe is essentially what they are requesting.

We, in the Civil Liberties Association admit to a great deal of uncertainty as to how literally to take the Dene Declaration. The Declaration seems to assert nationhood but not statehood. Canadian authority over the Dene people and land is recognized de facto but not de jure. I wonder how consistent the Dene people are in rejecting Canadian legitimate sovereignty over them. Would the accepting of benefits from Canada constitute implicit consent to Canadian Government? I am inclined to think that accepting benefits would not be tantamount to consent, and might be reasonably regarded by the recipients as a kind of foreign aid. Do the Dene people claim a civil right to welfare benefits? If so, they would not be consistent in denying the legitimate sovereignty of Canada. But that is a subtle point. I should think an impoverished people might claim a human right to assistance from their wealthy neighbours without committing themselves to obeying their neighbours.

But it is a mistake to press these subtleties very far with a people who do not share our moral and legal traditions. Even if the substance of the Dene Declaration with regard to sovereignty be rejected, it is still vital to provide for the native residents of the Mackenzie Valley sufficient self-determination and political representation. We must view these people as worthy of respect, people with whom we wish to share the planet in terms of moral relation-

B. Stearns

ships, not power relationships. To be treated in such a way is a human right of every person. It stands at the root of all morality and all legitimate sovereignty. The Winnipeg Civil Liberties Association calls for the understanding and respect that are due all peoples in virtue of their humanity alone. That is what we stand for, and it is our reason for being concerned about the proposed pipeline. Fairness requires that the Canadian Government proceed to settle the relevant land claims prior to authorizing construction of the pipeline.

I do want to add in the way of comment that when we talk about government by consent, we do not mean that an individual must consent to each law before he has the moral obligation to obey that law, that is, we in the Winnipeg Civil Liberties Association are not anarchists. We are saying that being faced with superior power is not, in itself, sufficient reason for obedience. That is, if somebody comes down the street with a gun and demands that I give him five dollars, I may, out of prudence, give him the five dollars, but there is no moral reason why I should do so, since he has no legitimate authority to require it.

Now, these conditions of legitimacy are what we mean by the conditions of consent. Conditions of consent can be fulfilled in a variety of ways, and we in the Civil Liberties Association are not agreed as to what constitutes consent, but we are almost unanimous in our view that the conditions of consent have not been fulfilled with respect to the Mackenzie Valley Indian people, that they are right in claiming

B. Stearns
W. J. Close

to be an historically and culturally alien people and that they should be negotiated with in an appropriate way. I have heard it said that we should say to the native people of the north: "We have won, you have lost, now do what we say." But the Civil Liberties Association believes that that kind of resolution of the problem is unjust, a violation of the human rights of a conquered people. Thank you.

(SUBMISSION BY WINNIPEG CIVIL LIBERTIES

ASSOCIATION - B. STEARNS - MARKED EXHIBIT C-432)

MR. WADDELL: Mr. Berger, earlier today I talked with a Mr. John McLaughlin from Carman, Manitoba and I believe he left a brief with our staff. I don't have a copy of that, but I will get a copy and we'll file that as a brief, sir. He wanted you to see it, and I'd like to call now Dr. William J. Close, who is with the Social Action Committee of Fort Garry United Church.

WILLIAM J. CLOSE, sworn:

THE WITNESS: Thank you, sir.

Our committee recognizes that there are many legal and technical questions involved in the Mackenzie Valley Pipeline debate and we prefer to leave these to the so-called experts. We suspect that the Commission might actually welcome a brief which does not seek to overwhelm the Commission with yet another battery of statistics. As well, we're going to summarize some points, giving you a brief brief, so that there might be an opportunity for Mr. Head of the Metis Association

W. J. Close

to address you.

Without minimizing the legal and technical ramifications of the Mackenzie Pipeline, our committee contends that the issues are essentially political in nature and that their resolution will be by political decision about moral and social values. We are concerned that the political process is generally preoccupied with the technical questions, rather than with the broader value questions relating to resources exploitation. Our brief addresses itself to these broader issues in northern planning which the proposed Mackenzie Pipeline has made the subjects of urgent public debate.

The issues are these: With regard to native land claims, we insist that there be no development until all claims are settled because if native claims are upheld judicially, then natives have a right, both to set limits to the extent and type of development in order to preserve the environment, and their way of life, and also to receive just compensation for the use of their lands. But to proceed with development prior to settlement of the native claims, could and most probably would, drastically restrict the number of ways natives might influence the alteration of northern lands by construction work. Only the right to compensation remains unjeopardized by interim development. The right to determine the future of the land in question is, in our opinion, a fundamental and more important right. In other words, it is not just a case of simple expropriation.

W. J. Close

From that, we extract a political principle, a principle for northern planning, that the bias in northern planning ought to be in favour of the native claimants.

There are a number of environmental considerations. So much has been said tonight in that regard and I'm sure you've heard it across the country. I shall leave those matters out, only to insist that, I think our experience shows that the more we study the environment, the more we learn that the natural resources exploitation which has been undertaken has a detrimental impact on the environment always far greater, far in excess of what was previously suspected. So, from that, we extract the principle that the bias in northern planning ought to be in favour of an ecologically sensitive development.

Political considerations: We maintain that gas and oil development ought not to be the sole or even primary component of northern policy. Northern policy in this country is a very haphazard thing historically. We're going to suggest Canadian sovereignty in the north, if that's what's in question, is better preserved by a clearly stated and energetically defended foreign policy than by the so-called presence of questionably Canadian multi-nationals in our north. We want to maintain too that northern development is inherently discriminatory, heavily weighted in the interests of the industrial south. Minor and probably questionable benefits to the north are purely coincidental.

W. J. Close

We insist too that northern development has this character of being "myth-laden". We hear so much about pioneer spirit, and about the subjection of the elements, and taming the land and the description of oil as the life-blood of our way of life and so on. It's all so nationalistic conjuring up images of the "true north, strong and free" and as such, northern development easily functions as a diversion from pressing political, social and economic problems in the south, thereby delaying the day when these issues must be dealt with politically.

The exploitation of northern resources perpetuates expectations of unlimited fossil fuels and patterns of wasteful consumption among southern consumers. As a short term solution, development of Arctic reserves of oil and gas merely makes the long term solution of developing alternate energy sources, limiting industrial growth, and conserving oil for petrochemicals more difficult to implement politically.

From these, we extract the principle that the bias in northern planning ought to be in favour of long term and quality of life policies for all regions of Canada.

There are some economic considerations and I'll just list these:
Northern development, in our opinion, is too costly (and we explicitly make that a political decision of value) and we say that it is too costly in terms of
a) dollars, meaning taxes

W. J. Close
Mr. Head

- b) in terms of BTU's invested for BTU's returned
- c) in terms of loss to the environment
- d) in terms of exported return on foreign investment

and we maintain that while northern development of oil and gas is unnecessary, providing that existing supplies are conserved and alternate non-nuclear energy sources are developed and deployed and industrial growth is restricted, and that energy resources are utilized more efficiently.

We thank you, sir, for hearing our brief.

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner, before ending the briefs from the people of Manitoba, I'd like to call one more and I'm sure some of the participants may have something to say. I call Mr. Head, the leader of the Metis Association, that has a short brief, Mr. Commissioner. While he's coming up, I'd like to file with you a brief from Mr. Tim Guest, who is presenting it on behalf of the Revolutionary Marxist Group and I'll file this brief. I'm also sorry that I can't call Romy Turner and I don't have a written brief from her, but if she wishes to submit one, we'll make sure you get it, Mr. Commissioner.

(SUBMISSION FROM REVOLUTIONARY MARXIST GROUP
MARKED EXHIBIT C-433)

MR. HEAD, sworn:

THE WITNESS: Mr. Commissioner, it gives me great pleasure to address the Mackenzie and Pipeline Inquiry on behalf of the 85,000 Metis/non-status

1 Indian people that I represent.

2 I suppose your job and the
3 briefs that my people and the Indian people have given
4 you probably are tiring but it's also tiring to us. I
5 think, if you look at the history of the Metis^{and}/non-sta-
6 tus Indians in this country, it's a prime example of my
7 pulling the tail-end of the presentations in this
8 assembly. I also say to you, Mr. Commissioner, that
9 one has to address itself to the aboriginal rights of
10 the native people in this country. My people have been
11 recognized by the government of this country in 1763,
12 again in 1885 it was reaffirmed. Mr. Commissioner, the
13 last time our aboriginal rights were reaffirmed was in
14 1901.

15 We are not asking the Canadian
16 people for aboriginal rights; we're telling them that
17 we have aboriginal rights. The reason it's taking so
18 long for the Canadian people and governments to make a
19 decision on the land claim settlement is probably
20 because they themselves do not understand the very
21 agreement they made with the Indian people. I do not
22 think, in this decade, the Canadians and government
23 will be able to make a just decision for my people.
24 Nevertheless, we have sat across the negotiation table
25 as an organization for the past nine years to continue
26 to hammer away at the kind of treatment society has
27 given the Metis^{and}/non-status Indians. I say again, I am
28 not here to beg for aboriginal rights; I am here to tell
29 the Canadian people and you, Mr. Commissioner, that we
30 do have a very legitimate claim.

Mr. Head

I think a lot of people, Mr. Commissioner, have blamed alcohol and frustration of my people, the kind of things that they face in the remote north and isolated communities, but one has to look around and see the claim of the half-breed in this country, 1 million 400 thousand acres around the very city that we're sitting in.

Today, my people are pushed back to the last frontier and that was mentioned by the Indian Brotherhood, the Metis people are there. They no longer have anything anymore behind them, but water, and that's the frustration that we feel. We probably see the violence that the society at large is throwing at the environment that my people need to survive, the very culture that the Metis people are striving to keep, those of us that are die-hards in this society. Only by a just decision of our land in this country are we going to maintain that culture. Like I said, I know in this decade that the Government of Canada and, Manitoba will not have a just settlement for the Metis and non-status Indians because they cannot determine the Indian claim and so, therefore, the half-breed claim is very vague and I quote from Dr. Lloyd Barber, who said: "without question, that the Metis^{and}/non-status Indians have a very legitimate claim but Canadian society does not understand it".

I'm not going to take much of your time. I only want to point out to you that I came here the same as I went to the legislative grounds and asked the government to recognize my people, to recog-

Mr. Head

nize the leaders, as we recognize your leaders, to respect you, when I go into your homes, I respect you. I respect people no matter where I go. I would like that same respect back for my people at the community level.

We have gone through the democratic system of electing our people to represent each and every respective community. I want that same respect back for my people. We respect you in all levels, municipal, local, regional, provincial and Federal Governments. We respect that democratic process that you go to elect your governments. We are also saying that we have to have that respect.

We were once a proud nation that controlled the economy in this country. We are now the minority in this country. Nevertheless, we are still proud people. Only after a hundred years have we begun to flex the muscle of the half-breed in this country. There is 750,000 of us in this country, and I think it's time that the Canadian public understands the Metis and non-status Indians in this country and I thank you.

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner, I have another brief I'd like to file by the Manitoba Anti-apartheid Coalition and it's filed by Leslie Curry. The Commissioner is filing her brief, too. You've heard in one day in Manitoba 23 briefs, 23 people rather, and 19 briefs have been filed, which I think is 42. If people wish to file other briefs or write to you, Mr.

D . Pimlott

Commissioner, they can do so by writing to: Judge Berger, Yellowknife, Northwest Territories. I'm sure, as you've said before, you'll consider those submissions. That's all I have, then.

THE COMMISSIONER: Do any of the parties to the Inquiry want to take advantage of the opportunity to say something at this stage?

MR. WADDELL: I've canvassed them, sir, and none of them except Dr. Pimlott have anything they wish to say. Dr. Pimlott's indicated to me that he would like to react briefly on a single point made in a number of briefs.

Dr.
THE COMMISSIONER: /Pimlott is with the Canadian Arctic Resources Committee which heads a coalition of environmental groups, which appears on a continuing basis at the Inquiry when the Inquiry is dealing with environmental questions. Go ahead, Dr. Pimlott.

D . PIMLOTT, resumed;

THE WITNESS: Thank you, Mr. Commissioner. Three of the groups you've mentioned worked very hard in attempting to develop interest and understanding in alternative energy sources and in the conservation of energy in Canada, and I think I'm sure you recognize that the hearing today, that you've held today in Winnipeg, has been a very different hearing than some of those which have been held in other parts of western Canada. One of the significant differences was that 9 of the briefs have dealt with the problem

D . Pimlott

1 which, if not gas shortage, at least the limitation of
2 the expansion of gas supplies, have caused or are
3 causing to the City of Winnipeg.

4 These briefs have been given:

5 One by the city, two by gas corporations, two by public
6 groups, and four by development or industrial corpora-
7 tions. It seemed to me/ⁱⁿsitting and listening to them
8 that the Winnipeg problem epitomizes a situation which
9 virtually every city in Canada will be facing at some
10 time during this century. That is, the problem of
11 shortages of petroleum products which will develop and
12 the needs to develop alternative energy sources, the
13 needs to reduce demands on energy, and the need to
14 adjust to these changing situations.

15 Perhaps the most frightening
16 aspects of the 9 briefs was that there was no recogni-
17 tion in any of these briefs that there was any way of
18 approaching this problem other than by developing
19 frontier sources so that traditional patterns of,
20 development could continue. There seemed to be no
21 thought that possibly there could be a movement towards
22 the use of energy sources from wind or from solar or the
23 use of weight energy or a massive concentration on the
24 part of citizens of the city to reduce demands on gas
25 supply. It seemed to me in thinking about it that
26 here in Winnipeg represents a very challenging oppor-
27 tunity for the Federal Government, the Provincial
28 Government, the Municipal Government, and the private
29 industry sector of the province and the city to take
30 innovative approaches to meeting and to looking for

D. PARLOTT

options and alternatives to meeting these energy needs of the area and it seemed to me that it's very worthwhile that there should be very concentrated thinking about these possible options and alternatives before very hard pressure is placed on the development of frontier resources. Thank you.

(WITNESS ASIDE)

THE COMMISSIONER: Ladies and gentlemen, let me thank you for attending and let me especially thank those of you who presented briefs and let me also thank those of you who wished to present briefs but could not because this is, I am afraid, an imperfect world and there simply isn't time in the evening for that.

The Inquiry is, as I say, concerned about gathering the evidence, finding the facts, and enabling the Government of Canada to make an informed judgment on these questions that relate so closely to the future of the north, whether there should be a gas pipeline and an energy corridor; if there is to be a gas pipeline, what terms and conditions should be imposed in relationship to its construction, when it should be constructed, what route it ought to follow, the other matters that are of great importance in that respect.

The Inquiry, let me say, because of the suggestion that was made by a number of persons and organizations who presented briefs; the suggestion was made that the Inquiry, that the Government of Canada may not consider the recommendations of

this Inquiry. Let me simply remind you that this Inquiry was established by an order-in-Council passed by the Government of Canada, an order-in-Council, which if you read it, confers a wider mandate upon this Inquiry than perhaps on any Inquiry we have known in the past. This is the first time that any government I know of anywhere in Canada or anywhere else in any other country in the world has commissioned an Inquiry to examine the consequences of a large-scale frontier project before and not after the fact. I think we should remember that it was the Government of Canada that passed the order-in-council, established the pipeline guidelines, put this Inquiry into business, and provided the funds to enable this Inquiry to carry out its mandate, gave this Inquiry the power to issue subpoenas, supplied thousands of studies and reports in the possession of various government departments to this Inquiry, and on the recommendation of this Inquiry, has provided funds to the native organizations, environmental groups, northern municipalities, and northern business, to enable them to participate at the hearings in the Canadian north on an equal footing, so far as that is possible, with the pipeline companies of the industry. It was the Government of Canada that did all of that and that is worth bearing in mind ^{when} considering the whole question relating to the outcome of the Inquiry.

Our job is to determine so far as that is possible what the consequences will be if we build a gas pipeline and establish an energy corridor

1 from the Arctic to the mid-continent and it will be
2 when this Inquiry has submitted its report and the
3 National Energy Board has submitted its report dealing
4 with gas supply and gas requirements, it will be for
5 the Government of Canada, the people elected by the
6 electorate to make these decisions, to make these
7 choices, it will be for them to make these same
8 decisions and to make these same choices. I am here
9 today to enable you to participate, so far as we can in
10 a country of more than 20 million, one by one in that
11 decision-making process.

12 I am grateful that I have been
13 able to hear you and I can assure you that the Inquiry
14 will be taking your views into consideration in its
15 deliberations and that the Inquiry's own views will be
16 submitted in a report to the Government of Canada in
17 due course and I have no doubt that when that occurs,
18 you will be hearing something about it. I thank you
19 again and I'm going to adjourn the Inquiry until we
20 reconvene next week in Toronto. Thank you very much.

21 (MANITOBA ANTI-APARTHEID COALITION SUBMISSION
22 MARKED EXHIBIT C-434)

23 (PROCEEDINGS ADJOURNED TO MAY 25, 1976)
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M835

Community 57

AUTHOR

Mackenzie Valley pipeline inquiry:

TITLE

Winnipeg, Man. May 20, 1976

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Community 57

MACKENZIE VALLEY PIPELINE INQUIRY

Government
Publications

IN THE MATTER OF APPLICATIONS BY EACH OF

- (a) CANADIAN ARCTIC GAS PIPELINE LIMITED FOR A RIGHT-OF-WAY THAT MIGHT BE GRANTED ACROSS CROWN LANDS WITHIN THE YUKON TERRITORY AND THE NORTHWEST TERRITORIES, and
- (b) FOOTHILLS PIPE LINES LTD. FOR A RIGHT-OF-WAY THAT MIGHT BE GRANTED ACROSS CROWN LANDS WITHIN THE NORTHWEST TERRITORIES

FOR THE PURPOSE OF A PROPOSED MACKENZIE VALLEY PIPELINE

and

IN THE MATTER OF THE SOCIAL, ENVIRONMENTAL AND ECONOMIC IMPACT REGIONALLY OF THE CONSTRUCTION, OPERATION AND SUBSEQUENT ABANDONMENT OF THE ABOVE PROPOSED PIPELINE

(Before the Honourable Mr. Justice Berger, Commissioner)

Toronto, Ontario

May 25, 1976

PROCEEDINGS AT COMMUNITY HEARING

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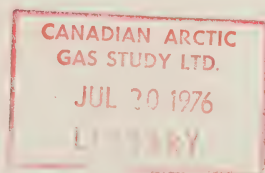
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Mr. Ian Waddell, and for Mackenzie Valley Pipeline
Mr. Ian Roland, Inquiry;

Mr. Pierre Genest, Q.C. and
Mr. Darryl Carter, for Canadian Arctic Gas
Pipeline Limited;

Mr. Alan Hollingworth and
Mr. John W. Lutes, for Foothills Pipe Lines Ltd.;

Mr. Russell Anthony and
Pro. Alastair Lucas for Canadian Arctic Resources
Committee;
Mr. Glen Bell, for Northwest Territories
Indian Brotherhood, and
Metis Association of the
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Toronto, Ontario

May 25, 1976

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: Ladies and gentlemen, I'll call our hearing to order this evening.

The Mackenzie Valley Pipeline Inquiry is holding a series of hearings in the main centers of southern Canada because we take the view that all Canadians have a right to be heard on the important questions of national policy that the Inquiry has under consideration.

I say that because we in Canada stand at our last frontier. We have some important decisions to make, decisions for which all of us will share a measure of responsibility.

Two pipeline companies, Arctic Gas and Foothills Pipe Lines, are competing for the right to build a pipeline to bring natural gas from the Arctic Ocean to southern Canada and the United States. The Government of Canada has established this Inquiry to see what the social, economic and environmental consequences will be if the pipeline goes ahead and to recommend what terms and conditions should be imposed if the pipeline is built.

We are conducting an Inquiry about a proposal to build a pipeline along the route of Canada's mightiest river, a pipeline costlier than any in history, a pipeline to be built across our northern Territories where four races of people, white,

1 Indian, Metis and Inuit, live where seven different
2 languages are spoken, the first pipeline in the world
3 to be buried in the permafrost.

4 The pipeline project will not
5 consist simply of a right-of-way. It will take three
6 years to build. It will entail hundreds of miles of
7 access roads over the snow and ice. It will mean that
8 6,000 workers will be needed to build the pipeline
9 and 1,200 more to build the gas plants in the Mackenzie
10 Delta. It will mean pipe, barges wharves, trucks,
11 machinery, aircraft, airstrips. In addition, it will
12 mean enhanced oil and gas exploration and development
13 the Mackenzie Valley, the Mackenzie Delta and the
14 Beaufort Sea.

15 Now the Government of Canada
16 has made it plain that the gas pipeline is not to be
17 considered in isolation. In the expanded guidelines
18 for northern pipelines tabled in the House of Commons,
19 the government has laid it down that we are to proceed
20 and this Inquiry is proceeding on the assumption that
21 a gas pipeline is built from the Arctic, an oil pipeline
22 will follow. So, we must consider the impact of an
23 energy corridor that will bring gas and oil from the
24 Arctic to the mid-continent.

25 It will be for the Government
26 of Canada, not for this Inquiry, it will be for
27 the Government of Canada when they have my report and
28 the report of the National Energy Board to decide
29 whether the pipeline should be built and the energy
30 corridor established. These are questions of national

1 policy to be determined by those elected to govern, to
2 be determined by those who have the confidence of
3 Parliament.

4 My job and the job of this
5 Inquiry is to make sure that we understand the consequenc-
6 es of what we are doing to enable the Government of
7 Canada to make an informed judgment.

8 The Inquiry began its hearings
9 on March 3rd, 1975 in Yellowknife. Since then, we
10 have held 14 months of hearings in the north. We have
11 held many months of formal hearings listening to the
12 evidence of engineers, scientists, biologists, anthropo-
13 logists, economists, listening to the people who have
14 made it the work of their life-time to study the north
15 and northern conditions.

16 The environment of the Arctic
17 has been called fragile. That may or may not be true.
18 Arctic species certainly are tough. They have to be to
19 survive but at certain times of the year, especially
20 when they are having their young, they are vulnerable.
21 If you build a pipeline from Alaska along the Arctic
22 coast of the Yukon, you will be opening up a wilderness
23 where the Porcupine caribou herd calves on the coastal
24 plain and in the foothills every summer. This is one
25 of the last great herds of caribou in North America.

26 Then it is proposed that the
27 pipeline from Alaska should cross the mouth of the
28 Mackenzie Delta where the white whales of the Beaufort
29 Sea come each summer to have their young. Millions of
30 birds come to the Mackenzie Delta and the coast of the

1 Beaufort Sea each summer from all over the western
2 hemisphere to breed and to store up energy for their
3 long journey south in the fall. Can we build pipelines
4 from the north under conditions that will ensure the
5 survival of these species? These are some of the
6 questions that the Inquiry is wrestling with.

7 But, it is the peoples of the
8 north that have the most at stake here because they will
9 have to live with whatever decisions are made. That is
10 why the Inquiry has held hearings in 28 cities and
11 towns, villages, settlements and outposts in the north
12 to enable the peoples of the north to tell me, to tell
13 the government and to tell all of us what their life
14 and their own experiences have taught them about the
15 north and the likely impact of a pipeline and energy
16 corridor.

17 The Inquiry has been from
18 Sachs Harbor to Fort Smith, from Old Crow to Fort
19 Franklin and has heard from 700 witnesses in the north
20 in English, French, Loucheux, Slavey, Dogrib, Chipewyan
21 and Eskimo.

22 Our task is to establish
23 constructive approaches to northern development. If
24 we are to do that, we have an obligation to canvass
25 all of the questions before us. Some of these questions
26 are: Should native land claims be settled before the
27 pipeline is built? If the pipeline is built and the
28 native people want to participate in its construction
29 how can we ensure that they are given an opportunity to
30 work on the pipeline? Can they develop skills on the

1 pipeline that will be of some use to themselves and to
2 the north after the pipeline is built? Can we provide
3 a sound basis for northern business to obtain contracts
4 and sub-contracts on the pipeline?

5 What about the unions? We
6 are told they have an awesome measure of control over
7 pipeline construction in Alaska. Should they have the
8 same measure of control over pipeline construction in
9 the Mackenzie Valley?

10 What about the local taxpayer
11 in the main centers of population in the north such
12 as Yellowknife and Inuvik? If you have a pipeline boom,
13 you will have to expand your schools, your hospitals,
14 your police force, your local services. What measures
15 ought to be taken to enable the municipalities and other
16 institutions of local government to cope with the
17 impact?

18 We Canadians think of ourselves
19 as a northern people so the future of the north is a
20 matter of concern to all of us. In fact, it is our
21 own appetite for oil and gas and our own patterns of
22 energy consumption that have given rise to proposals
23 to bring oil and gas from the Arctic. It may well be
24 that what happens in the north and to northern peoples
25 will say something about what kind of a country Canada
26 is and what kind of a people we are. That is why we
27 are here to listen to you.

28 Before I call on Mr. Scott,
29 Commission counsel, to outline the procedure we will
30 follow this evening, I think I should say that we have

1 some visitors from the Canadian north with us this
2 evening. The CBC at the outset of the Inquiry, establish
3 ed a broadcasting unit that travels with the Inquiry
4 wherever it goes and broadcasts each evening on the
5 northern network in the Yukon and the Northwest Territor-
6 ies in English and the native languages to all northern
7 peoples. That broadcasting unit has been with the
8 Inquiry broadcasting its proceedings to the north for
9 14 months and ^{the} unit is accompanying the Inquiry on its
10 tour of southern centers and is broadcasting each
11 evening to the north what people like yourselves are
12 saying here in southern Canada.

13 Those broadcasters include
14 Whit Fraser who broadcasts in English, Abe Okpik who
15 broadcasts in Inuktitut, Joe Toby who broadcasts in
16 Dogrib and Chipewyan, Louis Blondin who broadcasts in
17 Slavey and Jim Sittichinli who broadcasts in Loucheux.

18 Now I'll ask Mr. Scott to
19 outline our procedure.

20 MR. SCOTT: Mr. Commissioner,
21 I think it's appropriate at the beginning of this
22 hearing in Toronto to say a word about the procedure
23 which will be followed here in this hearing and will
24 be followed and has been followed in all other cities
25 in southern Canada.

26 The procedure which I as
27 Commission counsel have recommended for the southern
28 hearings and which has been accepted by counsel for the
29 two applicants and all the other formal participants is
30 designed to be as informal and as relaxed as possible

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1 and that is done with a view to allowing all those
2 who wish to make submissions to do so conveniently
3 and comfortably and in as relaxed an environment as
4 you can get in the main ballroom of the Holiday Inn.

5 Prior to coming to southern
6 Canada, the Inquiry published an advertisement in the
7 Toronto papers as well as in the papers of the other
8 cities in Canada setting out the hearing dates for the
9 Inquiry. In that advertisement, persons who wished to
10 make submissions orally were invited to write (inaudible)

(MR. SCOTT OUTLINES PROCEDURE)

JAMES CAMERON,
DON DUNCAN, sworn;

12 MR. SCOTT: Mr. Cameron and
13 Mr. Duncan, would you like to introduce yourselves and
14 just carry on as you please?

15 WITNESS CAMERON: Thank you
16 sir. My name is James M. Cameron. I am executive
17 vice-president of TransCanada Pipelines, sir.

18 WITNESS DUNCAN: My name is
19 Don Duncan of the same company.

20 May I first express TransCanada's
21 appreciation for this opportunity to present our views
22 and concerns to you, sir, in your investigation of the
23 impact of a pipeline along the Mackenzie River valley.
24 TransCanada believes and has stated many times that it
25 is imperative that gas from frontier areas be brought
26 to southern markets at the earliest possible date.

27 On the other hand, we believe
28 just as firmly that proper and due consideration must
29 be given to the consequential social, environmental and
30

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1 economic impact on the north. Economic and industrial
2 development cannot take place in a vacuum without
3 reference to the very real human concerns and needs of
4 all persons involved. It is for this reason that we
5 believe that a mutuality of interest between the people
6 of the south and the people of the north must be found.

7 We trust that your findings
8 will point the way in which these mutual interests can
9 be brought together for the benefit of all.

10 We in TransCanada strongly
11 disagree with those who suggest that Canada lacks the
12 expertise necessary for the construction of a Mackenzie
13 Valley Pipeline under conditions which will adequately
14 protect the environment. Canada's expertise in
15 constructing and operating pipelines is, in fact,
16 extensive. This expertise has been enhanced by the
17 comprehensive research and development program carried
18 out by Canadian Arctic Gas Pipelines Limited. Trans-
19 Canada contributed to this program as a cosponsor of
20 the project. Today, Canada is recognized as a world
21 expert on pipelining. TransCanada alone has operated
22 the world's largest, longest pipeline for nearly 20
23 years.

24 The ^{initial} construction of
25 TransCanada's system was completed in 1958 with 2,200
26 miles of large diameter pipelines, stretching from the
27 Alberta - Saskatchewan border across the prairies and
28 northern Ontario and then down to markets in southern
29 Ontario and Montreal. Today, after many years of
30 incremental expansion of that original system, we have

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1 5,678 miles of pipeline with total annual deliveries
2 in Canada of about 790 billion cubic feet. TransCanada
3 delivers over 90% of the total volume of natural gas
4 used in the provinces of Saskatchewan, Manitoba, Ontario
5 and Quebec. This amounts to approximately 20% of the
6 total energy requirements of these provinces.

7 The right-of-way of the
8 company's pipeline system is 2,470 miles in length,
9 having a total area of approximately 40,000 acres.
10 In addition, the company owns 250 parcels of land
11 totalling 3,500 acres which is used for compressor
12 stations, meter stations, access roads, power lines,
13 water supply sources and airstrips.

14 Approximately two-thirds of
15 our system is located on privately owned lands and
16 one-third on Crown lands. The privately owned lands
17 are held by about 6,000 individual owners. In a large
18 number of cases, we have negotiated with the owners
19 for the use of two rights-of-way and have installed
20 multiple pipelines. For example, between the Alberta
21 border and Winnipeg, we have two rights-of-way with
22 1,200 owners and have installed four pipelines for
23 almost the entire distance.

24 Between Winnipeg and Toronto,
25 there are approximately 2,000 land-owners and two
26 pipelines for the entire distance. In the section of
27 the company's system between Niagara and Montreal,
28 there are approximately 2,800 owners. The company has
29 constructed two pipelines from Toronto to Montreal
30 with the exception of 57 miles which is now under

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construction.

TransCanada has acquired virtually all of its right-of-way both for original and subsequent construction by means of privately negotiated agreements. Of the 6,000 land owners affected by our construction program, it has been necessary to commence expropriation proceedings on only 65 properties and only five going to arbitration. That is less than one-tenth of one percent.

The company's right-of-way on Crown lands consists of 35 miles in Saskatchewan, 57 miles in eastern Manitoba and 763 miles in northern Ontario. TransCanada has negotiated agreement for this right-of-way with the governments of the three provinces involved. In addition, we have agreements for 12 miles of right-of-way with the Government of Canada.

In eastern Manitoba, we recently completed construction of a second pipeline through / the White Shell Provincial Park to the complete satisfaction of the Government of Manitoba. Of the 763 miles of Crown land in northern Ontario, approximately 600 miles is under license to the forest industry for logging and pulp operations. Again, TransCanada has been able to construct and operate its pipelines in a manner which is compatible with these industries and the guidelines of the provincial authorities.

In addition to the individual land owners along the company's route, there are 240 municipalities with which the company has successfully dealt in constructing and operating its system. This

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1 has included making mutually satisfactory arrangements
2 for crossing roads and utilities and fitting pipeline
3 locations into future municipal planning.

4 The fact that TransCanada
5 has negotiated successfully, additional right-of-way
6 for successive construction programs through the same
7 properties is strong evidence indeed that large
8 diameter gas pipelines can be built and operated in a
9 manner acceptable to the large number of property
10 owners, communities and government bodies that live or
11 are situated along our line. We can and do deal
12 satisfactorily with the environment on a day to day
13 basis.

14 From the environmental point
15 of view, TransCanada's line extends across a broad
16 range of Canada's physiographical features. It crosses
17 the three prairie steps of the Great Plains region
18 of western Canada, the Severn Uplands, Port Arthur Hills
19 and Abitibi Uplands of northern Ontario and the
20 St. Lawrence Lowlands of southern Ontario. We have
21 had to deal with several forms of vegetation, ranging
22 from ^{the}grasslands of Saskatchewan, the grass and aspen
23 forest region of Manitoba, the mixed boreal forest of
24 northern Ontario, the Niagara hardwoods of southern
25 Ontario and the mixed eastern hardwood forests of the
26 Great Lakes-St. Lawrence forest region.

27 The line runs through a
28 great variety of soil features as well. The droughty,
29 lacustrine silts and sands and the dunes of the
30 Alberta plains, the highly plastic clay and glacial tills

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1 moraines and alluvium of western Canada, the muskeg,
2 rock and glacial drift of northern Ontario, the Great
3 Clay Belt near Kapuskasing, the complex glacio-lacus-
4 trine silts, sands and loams of southern Ontario and
5 the sensitive marine clays of the Montreal region.

6 Across the prairies, the land
7 use along the route of the pipeline is predominantly
8 agricultural. In northern Ontario, the land is used
9 for forestry and recreation and of course is undeveloped
10 in many areas. In southern Ontario and Quebec, land
11 use is a conglomeration of agricultural, rural,
12 industrial, recreational and specialized uses.

13 The TransCanada system
14 crosses several of the major waterways in southern
15 Canada as well as several hundred lakes, rivers and
16 streams. These include: the Assiniboine River, Red
17 River, Winnipeg River, St. Mary's River, Severn River,
18 Trent River and Canal, Moira River, Rideau Canal,
19 Lake of Two Mountains, St. Lawrence River, Richelieu
20 River, Niagara River, Welland Canal and St. Clair
21 River. Our subsidiary crosses the Straits of Mackinac.

22 Because it is not possible in
23 the time available to discuss in detail the procedures
24 we follow in dealing with these widely divergent
25 environmental features, I have attached an appendix
26 to our brief which deals with our procedures in some
27 detail.

28 In summary, this demonstrates
29 that we are concerned with maintaining the productivity
30 of farm lands, protecting the habitats of wildlife and

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1 fish, stabilizing stream banks, preserving specimen
2 trees, maintaining historic water regimes of swamps,
3 reseeding or sodding disturbed slopes, meeting
4 aesthetic standards and scheduling construction for
5 periods of low sensitivity.

6 In order to meet these concerns,
7 environmental inputs are maintained on a continuing
8 basis during the design, construction and operational
9 phases. Construction activity is the most sensitive
10 phase of developing a pipeline system. For this
11 reason, briefing of contractor crews preferably with
12 the attendance of provincial and federal resource and
13 environmental representatives, heightens the awareness
14 of the environmental concerns pertinent to a specific
15 construction site.

16 We have continuously
17 refined and improved our understanding of the
18 environmental elements along the entire route. This
19 has allowed us to improve our techniques for ensuring
20 that the environment is maintained in an acceptable
21 manner. We have dealt with this complex and divergent
22 environment for over twenty years and believe that the
23 overall impact of our pipeline system on the whole
24 environmental spectrum is minimal and acceptable under
25 today's standards.

26 In our view, a buried natural
27 gas pipeline system has less environmental impact than
28 most if not all other transportation systems whatever
29 the product being transported. Furthermore, natural
30 gas pipelines are clearly one of the least environmental

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1 damaging methods by which energy can be made
2 available to consumers.

3 At the outset, I refer to the
4 need to bring together the interests of those in the
5 north and those in the south. I would like for a
6 moment to discuss the very significant need for the
7 Mackenzie Valley Gas Pipeline from the point of view
8 of those in the south and indeed all Canadians regardless
9 of whether or not they use natural gas.

10 The supply of natural gas
11 which TransCanada has used to meet its market require-
12 ments has traditionally come from the Province of
13 Alberta. In recent years, sufficient quantities of
14 gas have not been developed in this traditional supply
15 area to adequately meet the demands in our markets.
16 Consequently, since November 1974, the annual rate of
17 deliveries by our pipeline has remained virtually
18 at a constant level. The immediate problem we face
19 is not the inability to serve growing markets but to
20 maintain our existing level of deliveries which must
21 eventually be curtailed if frontier reserves are not
22 connected. Whether the present level of deliveries
23 can be maintained in 1978 or for a year or two later
24 depends on many factors. However, it is clear that
25 without frontier reserves, curtailments are inevitable.

26 In making these statements
27 about the need for natural gas supplies we fully
28 support the need to undertake conservation measures
29 in order to significantly reduce the aggregate growth
30 in demand for energy in Canada. Our concern is that

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1 even with stringent conservation measure, the energy
2 self-reliance of which the Government of Canada has
3 spoken will be impossible if frontier supplies are
4 not brought to southern Canada. Every requirement
5 for energy that is not met by indigenous Canadian
6 sources must inevitably be met from imported oil and
7 that brings with it the concomitant problems relating
8 to balance of payments effects and insecurity of
9 supply. These, sir, are problems of grave importance
10 to both Toronto and Tuktoyaktuk.

11 At TransCanada, we are
12 concerned that through delay or through the imposition
13 of unworkable construction standards or through
14 other conditions, the Mackenzie Valley Pipeline project
15 could become impossible in the near future. This would
16 undoubtedly lead to a decision by the United States
17 to pursue its own project with the result that
18 Canadians would be denied access to the reserves of
19 gas in the Mackenzie Delta area, at least for many
20 years.

21 The resultant injurious
22 effects to all Canadians, northerners and southerners
23 would, in our view, be far more severe and damaging
24 than any which might occur when the pipeline is built.
25 We believe that your investigation of the impact of a
26 pipeline down the Mackenzie Valley should take due
27 cognizance of the very real problems which are faced
28 by all Canadians. We are convinced that ways can be found
29 to meet the reasonable concerns of the people of the
30 north without denying all ^{Canadians} access to these

Mr. & Duncan
 Father B. Massman

northern Canadian resources. We trust that your findings will recognize and define the mutuality of interest that exists for both northern and southern Canadians so that a pipeline can be built for the benefit of all.

We wish you well in your assignment sir. It is clearly one which will effect everyone in Canada for decades to come. Thank you.

THE COMMISSIONER: Thank you

Mr. Duncan.

(SUBMISSION OF TRANSCANADA PIPELINES LIMITED - CAMERON & DUNCAN, MARKED EXHIBIT C-435)

(WITNESSES ASIDE)

MR. SCOTT: Mr. Commissioner,

the next submission will be made by Reverend Father Massman, director of Social Action for the Diocese of Toronto of the Roman Catholic Church. Father Massman?

FATHER BRAD MASSMAN, sworn:

THE WITNESS: Mr. Commissioner,

my name is Father Brad Massman. I am director of the Office of Social Action for the Roman Catholic Archdiocese of Toronto. I am submitting the following statement on behalf of Archbishop Phillip Pocock, the Archbishop of Toronto and I have also been asked to make it clear that the Anglican Church of Toronto represented by their bishop the Most Reverend Louis Garnsworthy and Reverend Robert Givler, director of Diocesan Services, join with us in presenting this brief statement.

Let me preface my remarks

by thanking you for the opportunity of addressing this

Fathern B. Massman

Inquiry. I would like also to commend you, Mr. Commissioner for the dedication, energy, and complete commitment that you have personally made in making this a true Commission of Inquiry in every sense.

In a technological age such as we live in today when people seem to put a premium on rushing in and coming up with fast and often short-sighted solutions to major problems, I think Canadians will look back on this Inquiry and be most thankful for your patient and fruitful work.

Tomorrow morning, this statement will be released to all priests and religists in the archdiocese of Toronto. They will be asked to make the position of our church leadership known to the million or more Catholics in this Toronto church so that they are fully aware of the importance of these Inquiries and the responsibility that the church leadership is calling them to. This statement is as follows.

I want to draw your attention to a major social question in our nation today, namely the struggle of the native peoples in northern Canada and our responsibilities as southern Canadians. In our recent Labor Day Message, "Northern Development: At What Cost?" we expressed our pastoral concerns about the future industrial development of the Canadian north. Our position is that the future development of the Canadian north must be based on the ethical principles of social justice for the native people and responsible stewardship of energy.

resources and we ask the people in the Catholic community to act in solidarity with the native peoples in a common search for more creative ways of developing this last frontier of our country.

The proposed Mackenzie Valley Pipeline in the Northwest Territories provides us with a real test of our commitment as Christians to the principles of social justice and responsible stewardship. First, the building of a pipeline and other forms of industrial development such as highways, railroads, and new towns poses a sudden threat to native peoples who have inhabited the north for countless centuries. For these native people, land is essential to their way of life.

The only chance they have of protecting their culture and securing some form of control of their future economic development is through a just settlement of their land claims. In terms of social justice therefore, it is imperative that the native people of the Northwest Territories obtain a just settlement of their land claims before the building of the Mackenzie Valley Pipeline.

Second, the proposed pipeline is supposed to bring natural gas from the north to southern Canada and the United States. This demand for rapid development of the northern energy resources has put enormous pressures on the native peoples of the Northwest Territories. We must also recognize that our northern supplies of oil and gas are limited and therefore we have a responsibility to reduce our

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consumption and waste of energy. In terms of responsible stewardship, it is imperative that we develop alternative energy policies in southern Canada to prevent the rapid depletion of oil, gas and other resources which are non-renewable.

At this time, Mr. Justice Berger is conducting an important public Inquiry concerning the impact to the proposed pipeline. Later this year, he will be making recommendations to the Federal Government on conditions that should be imposed if the pipeline is to be built. I support the position being taken by other church leaders in calling for a moratorium on the building of the Mackenzie Valley Pipeline at this time.

A moratorium is necessary in order to provide the time required to achieve a just settlement of land claims in the Northwest Territories and more responsible patterns of energy use in this country.

As Christians in southern Canada, we have a responsibility to insist that the future development of the Canadian north be based on social justice and responsible stewardship. Some sacrifices will have to be made particularly on the part of the more powerful and affluent sectors of our society, yet these sacrifices are necessary if we are going to learn to live (and I think this is important here and I want to stop for a minute).

It's not if we^{are} to live, but if we're going to learn to live according to the gospel.

Father B. Massman
E. Recollet

message of Jesus Christ.

In the words of our Labor Day Message, "the living God calls us to a life of caring, sparing, sharing the limited resources of this planet." This is no longer simply a moral imperative. It has also become a practical necessity for the survival of our common humanity. Thank you.

(WITNESS ASIDE)

MR. SCOTT: Mr. Commissioner, the next submission will be made by Mr. Robert Recollet of the Ontario Metis and Non-Status Indians.

ROBERT RECOLLET, sworn;

THE WITNESS: Thank you, to Justice Thomas Berger, Commissioner of the Mackenzie Valley Pipeline Inquiry from the Ontario Metis and Non-Status Indian Association.

The Ontario Metis and Non-Status Indian Association appreciates this opportunity to comment briefly on the work of your Inquiry. Because we are living in southern Canada, we have been unable to follow the hearings, only through the reports carried in southern newspapers. It is not our intention to try to assess the viability of the proposals that have been put to you or to weight the merits of the many positions placed before you.

We appear before you tonight for a very straight forward purpose of self-interest. The Metis and Non-Status people of Ontario have long believed that they have special claims against the Federal and Provincial Governments to have restored

R. Recollet

to them lands they need not only for economic development but also to preserve a way of life that has been destroyed by large-scale development projects in Ontario.

this

We know that/is beyond your scope of your Inquiry. We are not asking you to intervene on our behalf. We think however that your report can have an important implication as to how serious the Federal and the Provincial Governments deal with our requests for special consideration in Ontario. If you find that the native people, including the Metis and Non-Status Indian people of the Northwest Territories have a right to be partners in northern development projects and also the right to have their needs and wants and hopes considered before development occurs, then the same treatment may be possibly accorded to our group.

No Federal Government and no previous Provincial Government of Ontario has ever taken seriously the special land problems of the Metis and Non-Status Indian people of Ontario. We too are natives and we too can trace our ancestry in Canada to time immemorial.

Our heritage and the claims we base on that heritage are every bit as valid as those of other groups. We look to the day when the Federal and Provincial Government and indeed the larger public will recognize our claims as even stronger than those of other people who have come to our land over the past few hundred years. We believe that your report si

R. Recollet
F. Fairchild

1 may set a kind of a precedent we seek as a
2 starting point in the struggle of the Metis and Non-
3 Status people of Ontario.

4 Your Inquiry has already
5 raised the consciousness of the Canadian public to
6 our special claims. It is our fervent hope that it
7 also affect their conscience.

8 Thank you very much sir.

9 (SUBMISSION OF THE ONTARIO METIS AND NON-STATUS
10 INDIAN ASSOCIATION - R. RECOLLET - MARKED EXHIBIT
11 C-438)

12 (WITNESS ASIDE)

13 MR. SCOTT: Mr. Commissioner,
14 the next submission will be made Mr. Frank Fairchild,
15 administrative assistant to the Canadian president
16 of the U.A.W. -- the International Union, United
17 Auto Aerospace and Agricultural Implement Workers of
18 America. Mr. Fairchild?

19 FRANK FAIRCHILD, sworn;

20 THE WITNESS: Mr. Commissioner,
21 the United Auto Workers (UAW) union is pleased to have
22 the opportunity of appearing before this Commission.
23 In representing 135,000 Canadian members from coast to
24 coast, and this must also include their families, we
25 believe we have an obligation to make our views, ^{known} to
26 your Inquiry about the proposed Mackenzie Valley
27 Pipeline.

28 The UAW is committed as an
29 organization to the struggle for social and economic
30 equality and has for many years been one of the leaders

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1 in the fight for a better way of life for all citizens
2 of this nation. We are therefore pleased that the
3 government of our country has appointed you, Mr. Berger,
4 to inquire into this project of such magnitude and
5 potential importance that will have enormous implications
6 for our nation as a whole and are fundamental to the
7 future of Canadian life.

8 Many other groups have
9 presented and will present their views to this Commis-
10 sion and include the various detailed statistics and
11 analysis. It is not our intention to detail these
12 again nor to deal with ^{the} entire range of questions that
13 the Commission must consider, or prescribe precisely
14 the recommendations the Commission should adopt.

15 It is our intention however
16 to present to you in a general way our concerns about
17 the repercussions of this venture across our country
18 and particularly the more severe repercussions to the
19 north and its people.

20 Our concern falls into the
21 following categories not listed necessarily in the
22 order of importance:

- 23 1. Energy Crisis.
- 24 2. Need for the Mackenzie Delta gas.
- 25 3. Native land claims
- 26 4. Social and economic impact.
- 27 5. The effects on the environment.
- 28 6. Our conclusions.
- 29 1. The energy crisis. More and more people are
30 beginning to question the claim of an energy crisis

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1 in this country. There are suggestions from many
2 quarters that the multi-national corporations have
3 ruthlessly and artificially created an energy crisis
4 to increase their profits. As each day passes, the
5 evidence becomes more clear that the corporations are
6 making every effort to exploit the world and are
7 equally willing to manipulate the people.

8 Over the years, the consumers
9 of Canada have been subjected to a barrage of claims
10 by the multi-national petroleum corporations. More
11 recently, between 1970 and 1973, we heard the Canadian
12 Petroleum Association estimate the potential of
13 Canada's reserves at approximately 725 trillion cubic
14 feet and that Canada had at least enough until the
15 year 2050 and had just scratched the surface. Why?

16 To obtain an export permit
17 to increase sales and profits. Later in 1973, the
18 same group pressed the panic button and claimed we
19 faced a shortage of gas as early as 1979, amounting
20 to a 1% shortfall and by 1987, would be 15% short of
21 Canadian demands.

22 The industry claims its
23 higher profits (and these are between 60 and 90% over
24 1972 profits) are needed to pay for the costly job
25 of exploration. What in fact have they spent on
26 explorations? One example is Imperial Oil who spent
27 \$74 million in 1975 on exploration, the exact same
28 amount they spent in 1972. Is there any wonder people
29 are claiming that the energy crisis is totally
30 artificial and the oil companies' prime motives are to

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1 become richer. One of the recent U.S. geological su-
2 surveys estimates that the U.S. has oil reserves of
3 80 times and gas reserves 100 times the 1971 consump-
4 tion.

5 In a recent article, Professor
6 J. Laxer stated:

7 "Congressional investigations in the United States
8 have turned up considerable evidence that the oil
9 and gas industry in the country has been deliberate-
10 ly understating proven reserves and holding up
11 production and exploration to drive up prices to
12 the world level."

13 We do not necessarily accept
14 that there is in fact an energy crisis because all of
15 the estimates used by the government's National
16 Energy Board (N.E.B.) are based on figures and
17 projections of the oil industry itself. The Arctic
18 Gas consortium for example has argued:

19 "In effect, Canada has no more than six or
20 seven years in which to get additional gas reserves
21 to its markets if this nation is to avert short-
22 ages such as those now facing the United States.
23 That is a very short time because in that period
24 not only must gas reserves in new areas be
25 developed by drilling, but pipelines must be
26 planned, approved by government, financed and
27 constructed."

28 We believe the government has
29 an immense responsibility in assuring Canadian people
30 whom they are elected to represent and protect, that

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1 there is or is not an energy crisis. If there was
2 reasonable unanimity of opinion on the estimates,
3 one could accept them. However, that is not the case.
4 John Helliwell, a noted University of British Columbia
5 economist argues:

6 "Our calculations indicate that without assuming
7 abnormally high rates of discovery, or of extrac-
8 tion from proven reserves, we calculate the
9 production from non-frontier sources will be
10 sufficient until 1988 and will continue into the
11 next century. It is true, we expect that incre-
12 ments to non-frontier reserves will be increasing-
13 ly expensive but our analysis suggests that we
14 could afford even greatly more expensive non-
15 frontier gas if it should be discovered before
16 turning to delta gas with its very high trans-
17 portation costs".

18 We accept that these are
19 contradictory opinions but it highlights the need for
20 a comprehensive, impartial overview of our energy
21 needs and resource potential. We think that the
22 statement that:

23 "Some parties tend to generate self-serving
24 evidence to support their case",
25 is appropriate in this situation.

26 The artificial shortage is
27 obviously shown by the fact that some companies are
28 pushing sales to increase consumption. The false
29 energy crisis has worked well for the oil companies.
30 They have won their Alaskan pipeline at the cost of

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1 danger to the Alaskan environment and they have won
2 the powerful ally in their drive to gain the Mackenzie
3 Pipeline -- the Canadian Government.

4 While oil and gas commands
5 higher and higher prices this winter, thousands will
6 be laid off due to curbs on oil and gas use. President
7 Leonard Woodcock put the UAW's position abundantly
8 clear on the energy crisis when he said on December
9 20th, 1973:

10 "The causes are rooted in the mid-east conflict
11 and bad management but most of all in the enormous
12 control which a few multi-national companies
13 exercise over the supply of energy. These compan-
14 ies owe allegiance to no country, to no people.
15 They plan their strategies in order to maximize
16 world-wide profits and not to provide the amount
17 of and type of energy which society needs."

18 2. The need for Mackenzie Delta gas. The proposal
19 to build a pipeline from Mackenzie Delta to carry gas
20 to southern markets is based on unknown factors at an
21 estimated cost of between five to ten billion dollars
22 and if, like the cost of the Olympics, continues to
23 soar into additional astronomical figures, it would
24 be financially impossible for the Canadian consumer
25 to use.

26 The proven amounts of delta
27 gas finds to date are between seven and ten trillion
28 cubic feet. The estimates of the time span before
29 these reserves are exhausted vary from a highest of
30 25 years to their more realistic, based on proven finds,

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1 of about four years. The main purpose of the pipeline,
2 it would appear, is to transport mainly American gas
3 from Prudhoe Bay while transporting a small amount
4 of Canadian gas.

5 We believe that the very
6 same situation exists in Canada as that in the U.S.
7 where the industry is deliberately understating our
8 southern reserves. In fact, the latest National
9 Energy Board estimates of gas reserves in the southern
10 gas fields have been revised upward by 13.8%. This
11 is partly due to new discoveries. For example, in the
12 foothills region of the Rosevear and Willson Creek,
13 the development of the shallow gas Suffield block by
14 the Alberta Government with proven reserves of about
15 two trillion cubic feet and growing, also partly
16 because previously uneconomic fields and recoverable
17 reserves in existing reservoirs now have become more
18 profitable to exploit.

19 We believe further that there
20 are hidden reserves under contract but not being
21 tapped. Alberta and Southern Pacific Gas and Electric
22 of California is one example where almost half (4.6
23 trillion cubic feet) of the available gas under
24 contract is not being used and could be available to
25 Canadian consumers. Together with the amount permitted
26 for export which is 5.1 trillion cubic feet, exceeds
27 the total of proven reserves in the Mackenzie Delta.

28 There is reason to believe
29 that there are other areas of exploration that are
30 available without involving the consequent problems of

environment or with native rights that are obviously part of the delta gas. This exploration would take place if the corporations were made to realize that the government and the public in general were not going to foot the bill for the costly delta gas project and ensuing high prices of gas that would continue to apply to the more economical southern fields we claim are held in reserve, obviously enabling them to reap a great windfall at the public's expense.

With the announced intention of Premier Lougheed to consider releasing some of the existing reserves committed to Alberta's use and the Federal Government's announced intention to cut back on exports of natural gas to the United States, along with other cited proven available reserves in southern fields, they collectively show an additional supply adequate to cover projected shortfalls into the 1980's.

For all of the foregoing reasons, we do not believe at the present time that the development of the delta gas project is necessary and in the best interests of Canadian people either morally, economically or politically. In any event, any development of the Mackenzie Valley Pipeline is premature at this time before all other alternatives and avenues have been explored.

3. Native land claims. From the outset, Mr. Berger, we have taken the position that it is unnecessary to develop the delta gas field and therefore build the Mackenzie Valley Pipeline simply because we are not satisfied as reasonable people that anyone has

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1 given sufficient proof of its need. As we said earlier
2 in this presentation, we cannot accept the projection
3 of the oil industry interests as appropriate and in
4 the interests of Canadians.

5 We however take the position
6 that if it is established by an independent reliable
7 source that Canada faces imminent shortages of natural
8 gas and the delta gas and pipeline are the only answer,
9 then we say that the entire question of native land
10 settlements must be resolved before any construction
11 of the pipeline begins. We do not attempt to speak
12 for the native people but we do understand their
13 desire to have a just settlement to their claims
14 before development begins and to have a say in how any
15 development should take place.

16 We have read with interest
17 many of the proceedings of your Inquiry and it gives
18 us hope that if justice is to prevail, it will be
19 through your Inquiry. We have not found in our review
20 any indication that the native people are unwilling
21 to understand our problems in return for an equal
22 understanding of theirs and are willing to work
23 towards a viable alternative if the willingness is
24 forthcoming on our part.

25 The native people are right
26 we believe, when they state that they do not want
27 development for development's sake thrust upon them
28 without regard to their values or their wishes. There
29 is adequate history available for the reading of
30 what happens to native people when they attempt to live

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within the white man's rules. It is not a pretty picture nor one of pride for Canadians.

If we believe the impact of this project will have severe repercussions across our country this will pale in significance to what will happen to the north. It will once and for all change the future course of history in the northern part of our country. Nothing will ever be quite the same. In fact, it is already having an impact on Canada.

When we read newspapers or watch T.V. and read or listen to the kind of bigotry and racism that most Canadians abhor, and from persons in public office, when one reads of white residents talking openly of shooting Indians to erase the Indian problem in the face of land claims, we must ask ourselves what kind of nation are we? Canada for many years has made representation to foreign powers concerning the treatment of minority groups. Are we now to expect the same?

There have been spokesmen who have accused the native groups of blackmailing the country into submission. We reject this premise completely. There is no evidence whatsoever to support this contention.

4. Social and economic impact. We have already touched on some of the social and economic impacts of this project. Any project of this magnitude will have vast implications for the economy as a whole and particularly in the north. Life will be inextricably altered in the north and will likely never recover

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from the change and again be known as "the last frontier" where its people are close to the land.

We have talked about the impact on the north and must continue to focus on this but the impact on the rest of Canada must not go unmentioned. This project will raise interest rates and increase the value of the Canadian dollar as capital will raise interest rates and increase the value of the Canadian dollar as capital will have to be attracted from other Canadian sectors and from abroad. This will mean a loss in Canadian jobs as:

- (a) Resources are shipped from labor intensive manufacturing to the capital intensive energy sector, and,
- (b) Our competitive position will deteriorate with the higher capital costs due to the interest rate increases and the weakening of our manufactured exports due to the over-valuation of the Canadian dollar.

Futhermore, we will all be burdened with higher taxes to pay for the long-term effects of this project. In the north, the social and economic effects will be disastrous unless there is long-term planning and every effort made to prevent those recurring boom and bust nightmares that take place in a short-term project of this nature.

We are in no position to provide a blueprint for the economy for the economic program on how the northern economy should be handled during and after this project. We do however know that

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1 the Federal Government, along with the native people
2 need to develop an overall economic plan to prevent
3 the mistakes of the past. The recent evidence from
4 experiences of the Alaskan pipeline show that where
5 development is allowed to proceed unchecked at a
6 rapid pace, monumental problems occur.

7 Already there are signs
8 in Inuvik of the type of problems that occur on
9 projects of this kind. If the project must go through,
10 then economic and social planning must occur before
11 construction begins and development closely controlled
12 in the interests of it's people.

13 Canadian may well ask
14 themselves how many homes in the north will this
15 gas heat or stoves to cook on will use it, or in fact,
16 how many northern people will get to use it, period?

17 Then maybe, just maybe
18 they might be able to understand more clearly why
19 the native people are concerned about the disruption
20 of their way of life without the benefit of the use
21 of the resources extracted from their land. When they
22 tell us that without land you are nothing, you begin
23 to understand their urgency in protecting their heritage
24 which they had long before the white man every set
25 eyes on this country.

26 5. The effects on the environment. We believe, Mr.
27 Berger, that in addition to the native people, we are
28 most seriously concerned about this aspect of the
29 proposed Mackenzie Valley Pipeline. When industry
studies speak of the Arctic as being fragile, it is an

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1 admission that would evoke concern from the most
2 hardened. We are sure that you have heard many
3 persons relate to you in more expert terms and demon-
4 strate more appropriately than we can the delicate
5 balance of nature in the north and how its people are
6 totally dependent on the continued survival of this
7 balance of nature.

8 This balance of nature will
9 be destroyed by the construction of this pipeline as
10 it is presently proposed. There is sufficient evidence
11 based on experience with other northern pipelines to
12 indicate that the permafrost could cause buckling in
13 the pipeline, causing spills and damages to the
14 environment; that vegetation that prevents the
15 permafrost from melting that has been removed thirty
16 years ago has not yet grown back, causing further damage
17 through erosion.

18 This 2,500 mile long right-
19 of-way through the Mackenzie Valley could permanently
20 endanger species. All of this cost to our environment
21 based on a short-term need that we believe can be
22 solved by other means, is too high a price to pay.

23 We have seen governments
24 sacrifice good productive land for the sake of
25 development alone just to satisfy developers. The
26 condition of the Great Lakes and our rivers are
27 prime examples of development at any cost. We see
28 the development of the Mackenzie Valley in the same
29 light, Mr. Berger. Your Commission must recommend
30 against this abuse of power.

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1 It is rather unique for us to
2 be talking about this subject tonight knowing the
3 Federal Government, through spokesmen such as the
4 Honourable Minister Mr. John Chretien, has actively
5 promoted the development of the Mackenzie Valley
6 Pipeline in speeches he has made. While as recent
7 as last Thursday, May 20th, 1976 in a newspaper
8 article, the same Federal Government was trying to
9 protect rare grasslands and prairie dogs in Saskatchewan
10 by making it a parkland. Yet, when there is an
11 opportunity to act to protect endangered people,
12 species and lands, they fail to act responsively.

13 6. Mr. Commissioner, our conclusions. We would
14 like first to outline our conclusions with respect to
15 the proposed Mackenzie Valley Pipeline. We have not
16 seen any evidence to convince us that Canada faces
17 economic and industrial disaster if the pipeline is
18 not undertaken in the next few years. While we
19 explore all the alternatives. We have witnessed the
20 pollution of our lakes and streams, the denuding of
21 our forests all in the name of development and progress.
22 We are now paying the price of the social, economic, and
23 environmental problems created by the past uncontrolled
24 development.

25 We have stated clearly that
26 the rights of the native people of the north must be
27 first priority with respect to the northern development
28 and on that basis none of the plans proposed at the
29 present time should be approved.

We believe that the first

F. Fairchild

1 the government should immediately terminate the export
2 of our natural resources in the national interest.
3 In addition, they should take over one of the large
4 petroleum corporations by nationalization in order
5 to regain control of this important resource industry
6 in the interests of Canadian people.

7 We would further suggest that
8 the government should actively pursue every avenue
9 in the exploration of alternative energy resources to
10 our fossil fuels. There are many types of fuel
11 sources that research expenditures must be made to
12 make them available to the consumer. We believe
13 additional research should be undertaken by government
14 and industry to provide a more efficient consumption
15 of energy.

16 In conclusion, we wish to
17 commend the Commission for its forthright method of
18 operation to date. Many Canadians are concerned about
19 the outcome of this Inquiry. We have great confidence
20 in your report -- in that your report will recognize
21 the priorities which we have raised. We believe that
22 justice to Canadians will find a new meaning in the
23 report of this Commission and we support your remarks
24 when you said:

25 "If I'm going to conduct this Inquiry, I am
26 going to do it right. It takes time but if
27 Canada can't take time to make an informed decision
28 about what is going to happen to our northland,
29 then what has Canada got time for?"

30 Thank you Mr. Commissioner.

(SUBMISSION BY UNITED AUTO WORKERS - F. FAIRCHILD -
MARKED EXHIBIT C-437)

(WITNESS ASIDE)

MR. SCOTT: Mr. Commissioner,
can I suggest that we take our ten minute break now
and return after ten minutes?

THE COMMISSIONER: Before we
do that, might I just comment for a moment before this
desire for coffee overwhelms us all, and make one
or two comments on the briefs that have been submitted.

It may be useful if I
remind all of you that the Government of Canada
established this Inquiry and gave it a mandate that
is I think unique in our own experience and I daresay
in the experience of any other country that you or
I can name. We are examining what the consequences
of a large scale frontier project will be before and
not after the fact.

It was the Government of
Canada that established the Inquiry and gave it
a mandate that as I say, is unique in certainly
Canadian experience.

I think I should also tell
you that the Government of Canada, before this Inquiry
was established, conducted a series of studies of the
Mackenzie Valley and the Canadian north that related
to the impact that industrial development would have
if it proceeded in the Canadian north. Those studies
cost something like \$15 million. The oil and gas
industry and the pipeline companies have spent something
like \$50 million on studies and reports on the impact
of development in the north and this Inquiry was given

the funds by the government to enable all of those studies and reports to be brought off the shelves, their authors to be brought before the Inquiry in Yellowknife and challenged and cross-examined where anyone who was participating in the work of the Inquiry who wished to do so.

So, the Inquiry has provided funds that have been supplied by the Government of Canada. We've provided funds to the native organizations, to environmental groups, to the Northwest Territories Association of Municipalities and the Northwest Territories Chamber of Commerce so that they could come into the Inquiry's hearings, hire lawyers and experts, do their own research and participate on an equal footing so far as that is possible, with Artic Gas and Foothills Pipe Lines, the people that want to build the pipeline.

All of those things were done with funds provided by the Government of Canada. Let me add that the Inquiry has had the cooperation of the pipeline companies and other segments of the oil and gas industry, of the native organizations, the environmental groups and of northern business and of northern municipalities throughout its life and we expect to continue to have that cooperation.

Might I just add that the witnesses that we have brought to Yellowknife for the formal proceedings there have been brought from all over North America. We have had for instance, the Minister of Highways from the Government of Alaska.

1 had a special assistant to the governor give evidence.
2 We've had experts from the University of Alaska at
3 Fairbanks. We've had a magistrate who sits in a
4 small community along the route of the Alaska pipeline
5 give evidence about social impact in the district where
6 he presides.

7 We've had experts from all
8 over Canada and the United States talk to us about
9 caribou, about whales, about fur-bearing creatures
10 throughout the north. We've had witnesses from the
11 universities, from the government, from industry
12 talking about the impact that they believe the pipeline
13 and what it will bring with it are likely to have
14 on the north and of course we've gone to the communities
15 where the people live who are most closely affected
16 and have considered their evidence about the environ-
17 mental impact and social impact and about their claims.

18 I have only presumed to take
19 five minutes of your time at this stage to discuss those
20 things so that you will understand the context in
21 which we are considering the evidence that is being
22 heard here tonight.

23 I think I should just add
24 that this Inquiry is to consider the social, economic
25 and environmental impact of the establishment of a
26 gas pipeline and energy corridor in the Canadian north
27 to bring gas and then oil from the Arctic to the
28 mid-continent. The National Energy Board is the
29 tribunal established by the government under statute
30 established by Parliament under statute that considers

1 the whole question of how much gas is there in the
2 Mackenzie Delta and in the Beaufort Sea? How much
3 gas do we in southern Canada need? Is it appropriate
4 for any of it to be exported and so on.⁷ Those are
5 questions for the National Energy Board.

6 The Government of Canada,
7 when it has my report and the report of the Board
8 dealing with all of these questions will have to weigh
9 them and then make its own judgment, and I am grateful
10 to all of you who have participated so far and I am
11 looking forward to the contributions that the remainder
12 of you who are to speak tonight will make after coffee
13 in making your own contribution to this important
14 decision for Canada.

15 So, we'll adjourn now for a
16 cup of coffee.
17 (SUBMISSION BY FATHER B. MASSMAN MARKED EX. C-436)
18 (PROCEEDINGS ADJOURNED FOR A FEW MINUTES)
19
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29
30

W. Skewis

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

MR. SCOTT: Mr. Commissioner,
our next submission is to be made by Mr. William Skewis,
the executive director, Ontario Natural Gas Association.

THE COMMISSIONER: Go ahead,
Mr. Skewis,
/and maybe we could all just give Mr. Skewis our full
attention, and go ahead, sir.

WILLIAM SKEWIS, sworn:

THE WITNESS: Thank you, sir.
We of the Ontario Natural Gas Association wish to
thank this Inquiry for having allowed us the opportuni-
ty to submit our views and opinions regarding the
construction and operation of the Mackenzie Valley
Natural Gas Pipeline and other lines using the same
access route.

The Ontario Natural Gas
Association was, prior to September 1972, known as The
Gas and Petroleum Association of Ontario which was
formed in the year 1919.

The Association members include
natural gas and oil transmission companies, natural gas
distribution utilities, natural gas and oil producers
in Ontario, and companies who are major suppliers of
steel pipe, meters, valves and other materials to the
oil and gas industry, and to the ultimate consumers of
that industry's products.

The Association is familiar
with the briefs being presented to this Commission by
various of its individual members and wishes to voice
its support for the position put forward in those briefs.

W. Skewis

Both the National Energy Board's report on "Canadian Natural Gas Supply and Requirements" and the Federal Government's recently released "Energy Strategy for Canada" make it plain that the supplies of oil and gas available from our conventional sources are not sufficient to support existing demands for oil and gas at their current level, beyond a few years into the future, even at reduced rates of growth reflecting the conservation ethic and economic slowdown. Energy is the basic underpinning of our economic and industrial development and the share of gas and oil in the supply of energy is so significant that it demands the development of significant new sources of supply. The people of northern territories who would be affected by the proposed projects do not live in isolation from the economic and industrial activities of the remainder of Canada even today. Many of the products and supplies which they require must come from this source and the economic health of the country as a whole must inevitably have its reflection in the lives of people in our northern communities.

Trade Deficit: It is our understanding that the 1975 national deficit in trade was \$5.5 billion, including an oil and natural gas trade surplus from exports of these products. As the exports of those products decrease in accordance with established government policy, we will require counterbalancing projects to reduce the momentum of the increase of this trade deficit in future years. The proposed pipeline projects would make a significant

W. Skewis
J. Robinson

1 contribution in this area.

2 A negative decision or unrea-
3 sonable restraint on the proposed pipeline projects
4 could steer us into a "Have Not Country" classification.
5 Many of our social benefits all Canadians now enjoy
6 could vanish. Thank you very much, sir.

7 (WITNESS ASIDE)

8 MR. SCOTT: Mr. Commissioner,
9 the next submission will be made by Mr. Sean Casey and
10 Mr. John Robinson of Energy Probe and Workgroup on
11 Energy Policy.

12
13 JOHN ROBINSON, sworn:

14 THE WITNESS: The Workgroup on
15 Canadian Energy Policy welcomes the opportunity of
16 making a presentation to the Berger Commission and of
17 adding to our previous submission of two years ago.
18 We wish in the first place to stress our position that
19 the aboriginal land claims of the native people in the
20 north be settled to the satisfaction of all parties
21 involved before any decision is made regarding the
22 development of mineral and hydrocarbon resources in the
23 Mackenzie Delta.

24 More specifically, in relation
25 to the terms of reference of this Commission, it is
26 clear that the timing of a Mackenzie Valley gas pipeline
27 will be of major importance in determining its impact
28 upon the north. A decision about when the pipeline is
29 to be built should therefore constitute a necessary
30 prerequisite to the fulfillment of the Commission's
mandate.

J. Robinson

In addition, the long-run economic implications of a frontier pipeline will have significant repercussions upon the political economy of the north. In fact, detrimental economic impacts upon the country as a whole would likely be felt more severely in the north than in the more affluent southern communities. The national economic implications of the pipeline must therefore be considered in any attempt to determine its regional impact.

For these reasons the Workgroup will confine its presentation to a discussion of the long-run economic implications of hasty approval of a Mackenzie Valley Pipeline. There are several characteristics of such a pipeline that are of concern to the Workgroup, namely the magnitude and the irreversibility of either proposal.

1) Magnitude: Either of the pipelines presently proposed will cost billions of dollars. The resultant huge investment will generate large energy demands. A growing proportion of future energy requirements is expected to derive from the supply sector itself. The Federal Department of Energy, Mines and Resources estimates that the energy supply industries will require 9.5% of total energy produced in 1990 compared to 7.4% today. This represents more than a 20% increase in the absolute quantity of energy consumed. Moreover these figures refer only to direct energy demands; no data is presently available as to the indirect demands that will be generated by these investments.

J. Robinson

Secondly, frontier gas is much more expensive than conventional supplies in western Canada. As these frontier supplies are tapped, the energy return per dollar of investment decreases. In effect, more and more money is being spent to get less and less energy.

Finally, the opportunity cost is extremely high, precluding investment in other sectors of the economy as well as in conservation and alternative energy supplies. The Department of Energy, Mines and Resources estimates that energy-related investments will amount to approximately 5% of Gross national product over the next fifteen years - a total of one hundred and eighty billion dollars. By comparison, such investments have averaged 3.5% of GNP during the last fifteen years, a total of only forty-two billion dollars. This projected increase will result in a substantially smaller share of money available for other purposes..

2) Irreversibility: Once the pipeline is built the gas must flow in order to provide a return on the investment. The rate at which the gas flows, and the price of the gas, will be determined by the economics of this investment. The result is that the price and/or the quantity of gas will bear no relation to the demand.

The government is responsible for gas pricing and may also be required to provide completion guarantees for a Mackenzie Valley pipeline.

THE COMMISSIONER: Excuse me,

J. Robinson

1 do you want to just go back again a couple of sentences
2 and let's do that again. I want to make sure I've got
3 you, sir.

4 A Okay. Point number 2,
5 irreversibility?

6 Q Yes, start there. Sorry.

7 A Once the pipeline is
8 built the gas must flow in order to provide a return on
9 the investment. The rate at which the gas flows, and
10 the price of the gas, will be determined by the econo-
11 mics of this investment. The result is that the price
12 and/or the quantity of gas will bear no relation to the
13 demand. In effect, it must be produced whether or not
14 the demand is there in order for the pipeline to be
15 financially viable.

16 The government is responsible
17 for gas pricing and may also be required to provide
18 completion guarantees for a Mackenzie Valley pipeline.
19 The financial burden of ensuring that the gas continues
20 to flow and is sold at adequate prices will therefore
21 be borne by the taxpayer. Should demand be overesti-
22 mated, then some delta gas may in fact have to be
23 exported, perhaps at prices below those necessary to
24 recover the investment. The government would therefore
25 be in the incongruous position of subsidizing the
26 exports of Canadian gas.

27 A second point concerns the
28 precedent-setting character of a pipeline. The cost
29 of frontier exploration are so great that assurance
30 of approval for a pipeline is virtually a prerequisite

J. Robinson

1 for future investment in such exploration. It is note-
2 worthy that exploration in the north has declined
3 markedly in the last year or two. Approval of the
4 Mackenzie Valley Pipeline would therefore set in motion
5 an increased cycle of frontier development which would
6 in turn necessitate future pipelines. A Polar Gas line
7 and a Mackenzie Valley oil pipeline are already being
8 planned. As yet, however, we do not know if there is
9 sufficient gas in the delta to justify even a single
10 pipeline.

11 It is clear from the foregoing
12 analysis that the Mackenzie Valley Pipeline application
13 involve much more than the impacts of just one frontier
14 pipeline. The result of the factors discussed above is
15 that approval of a pipeline will mean locking ourselves
16 into an energy policy predicated upon massive, and
17 increasing investments in adding to energy supplies.
18 This represents a foreclosure of options; increasingly
19 more and more money will have to be invested, at less
20 and less of an energy return, toward meeting energy
21 demands. These demands however will be generated in
22 large part by the very investments made to increase
23 energy supplies.

24 In fact, there is a finite
25 supply of nonrenewable resources left in the north, and
26 indeed in Canada as a whole. A frontier natural gas
27 pipeline, together with the associated and subsequent
28 development it will cause, will effectively use up
29 much or most of these remaining resources at increasing
30 costs, leaving us sometime in the not so distant future

J. Robinson

1 with very high energy prices and demands and no fossil
2 fuels. This represents an inevitable commitment to
3 nuclear power as the only source capable of meeting
4 these demands - we will be locked in to a course of
5 action that we may not like when it arrives. It should
6 be noted for instance that nuclear development is even
7 more capital intensive than frontier pipelines.

8 It might be questioned, there-
9 fore, whether remaining fossil fuels might not be used
10 in other ways than to fill a Mackenzie Valley Pipeline
11 at this time. For example, these supplies could be
12 used to fuel the transition from present trends to an
13 energy policy based upon renewable energy resources.
14 In addition, hydrocarbons are potentially much more use-
15 ful as raw materials than as fuels; they are perhaps
16 too valuable to burn up.

17 These points suggest that
18 greater benefits to the north may be possible than those
19 presented by the current pipeline proposals. Indeed the
20 Workgroup would suggest that greater benefits to the
21 country as a whole might result from an alternative
22 direction of policy. The following presentation by
23 Energy Probe will outline some of the possible aspects
24 of such an alternative but the Workgroup would like to
25 take this opportunity of making several recommendations
26 arising out of our analysis.

27 THE COMMISSIONER: Excuse me,
28 the Workgroup is a group of people at York University.

29 A That's right.

30 Q Is that faculty and

J. Robinson

1 students? Do you mind just telling us a little bit
2 about the Workgroup?

3 A The Workgroup was insti-
4 tuted in January of 1974 by a group of students in the
5 Faculty of Environmental Studies at York University, as
6 a response to the perceived lack by the founding mem-
7 bers of detailed research concerning the Mackenzie Valley
8 Pipeline proposals and it was intended to serve as a
9 research-oriented public interest group.

10 Q Fine.

11 A Okay. For the recommenda-
12 tions: In the first place there is a need for increased
13 opportunities for public participation in the decision-
14 making process. The preceding analysis has made it
15 clear that the long-run implications of energy policy
16 decisions have become so important that they intimately
17 affect the future lives of us all. In these terms, the
18 citizens of both the north and the south of Canada have
19 something in common - they have been too little involved
20 in the determination of energy policy. The Berger
21 Commission represents a useful first step in the
22 encouragement of such involvement but it should be
23 supplemented by further measures.

24 Secondly, it is clear that
25 projects of the magnitude of a Mackenzie Valley pipeline
26 cannot be viewed in isolation. The long-run economic
27 and social costs may outweigh the short-run benefits to
28 be gained. Projects of this size must be put in the
29 context of energy policy as a whole. Until this is done,
30 the Workgroup believes that approval should not be given

J. Robinson
S. Casey

1 for a Mackenzie Valley Natural Gas Pipeline. It is no
2 longer sufficient that energy decisions be made in
3 spirit of inspired ad-hocery so characteristic of
4 existing policies. Thank you.

5 (WITNESS ASIDE)

6
7 SEAN CASEY, sworn:

8 THE WITNESS: Mr. Justice
9 Berger, Energy Probe is pleased to again have the
10 opportunity to express its views on the Mackenzie Valley
11 Energy Corridor. Two years ago, at the preliminary
12 hearings of your Inquiry, we appeared as the Energy
13 Resources Team of Pollution Probe. At that time, we
14 among others, urged you to interpret your mandate in
15 broad and democratic fashion. Since then, people of the
16 north and now people of the south have watched you
17 just that - conduct a broadly-based democratic Inquiry.
18 Our congratulations.

19 Two years ago, we also
20 addressed the question of aboriginal rights in the
21 north. We said then and we say now that aboriginal
22 land claims have to be settled to the satisfaction of
23 the native peoples before any development decisions
24 are taken in either the Yukon or the Northwest Territories.
25

26 Our presentation this evening
27 logically follows that of John Robinson of the Commission
28 on Energy Policy. The Workgroup's brief addressed a
29 number of issues relevant, not only to a decision about
30 a Mackenzie Valley energy corridor, but also native

1 energy policy. To diverge for a moment, I wish to
2 emphasize an often neglected impact of deciding to build
3 this energy corridor. Now, building these pipelines
4 will effectively preclude any serious development of
5 energy conservation and renewable energy sources. This
6 will result in lost energy opportunities for both
7 northerners and southerners.

8 THE COMMISSIONER: Are you
9 going to elaborate on that?

10 A No, I'm not.

11 Q Well, would you mind
12 repeating it, then?

13 A Okay. If our society
14 chooses to place a number of resources into building
15 pipelines, we have no resources left to build energy
16 conservation devices and to build renewable energy
17 facilities. It's that simple. That impact will be
18 felt not only in the south, but will also be felt in
19 the north.

20 Q I follow you.

21 A Okay. I will begin with
22 some basic ideas about an ever-elusive but incessantly
23 called-for national energy policy. What would be an
24 ideal Canadian energy policy? Well, we think most
25 people would agree that such a policy should provide
26 the basis of long-term energy supply as economically
27 as possible, while avoiding both large-scale environ-
28 mental damage and political-social clashes between
29 energy rich and poor provinces, between natives and
whites, and rural dwellers and urbanites.

S. Casey

1 Now, a policy founded on
2 frontier oil and gas extraction contradicts each of
3 those goals. A policy founded on energy conservation
4 and renewable energy sources which are the sun and the
5 wind, falling water and the heat of the earth, that
6 kind of policy would act to support those goals. I'll
7 compare these two policy alternatives in terms of costs
8 and I'll begin with some very preliminary ball park
9 figures on the financial costs of oil and gas from the
10 Arctic to southern consumers.

11 The recent energy strategy for
12 Canada predicts that an oil and gas investment of 86
13 billion dollars will yield a primary energy return
14 equal to 11 billion barrels of oil, but what is impor-
15 tant to consumers is useful energy. The energy lost in
16 transportation, conversion, and inefficient end use is
17 not useful. It is wasted and it amounts to about 50% of
18 the primary energy generated. So the useful energy for
19 our investment of 86 billion dollars is equal to 5.5
20 billion barrels of oil, approximately. That is a
21 capital cost of 15 dollars per useful barrel of oil.
22 Now, that's some ballpark. Is that the only cost to
23 consumers? No, because in discussing ballpark figures,
24 you must pay the ballplayers, you must maintain the
25 ballpark, you must earn some profit, and if you were
26 sensible, you repair the damaged field. So now your
27 capital cost is only about a third of the cost to the
28 consumer and a barrel of oil equivalent is costing
29 approximately 45 dollars. Are those the only costs?
30 No. People tend to forget the roads to the ballpark,

the communication systems for the ballpark, increased sewage treatment and water supply for the ballpark. All those public works and social services are required both for a ballpark and a Mackenzie Valley energy corridor.

Now, what are the costs of alternatives? Apparently the existing government business viewpoint is that energy conservation is a useful supplementary strategy to help guide Canada through a temporary period of potential shortages but since we waste 50% of the energy we produce, is it not reasonable to approach energy conservation as an alternative policy rather than supplementary tactic. A few examples do indicate the potential.

The Science Council of Canada has estimated that a national residential insulation retrofit would cost \$4 billion. That's a lot of money but it would save \$5 billion investment in new energy facilities. Furthermore, we estimate such a policy would save a third of \$10 billion in consumer costs and \$1 billion in government services and that's a total

WEST REP. TO. 600
BURNABY.
S. Casey

1 of a \$16 billion payback for a \$4 billion investment.
2 In terms of ballpark figures, that's a home run.

3 Similar paybacks seem
4 possible with the use of heat pumps, heat exchangers
5 and a number of other conservation technologies.

6 In general, there is mounting evidence that saving a
7 barrel of energy is both technically feasible and
8 far cheaper than supplying the same barrel from the
9 north. Would not a reasonable energy policy fashion
10 a comprehensive program of conservation? We should
11 use our capital to conserve energy rather than waste
12 energy.

13 Nonetheless, Canada will still
14 require new long-term energy supplies. Renewable
15 energy which is always present whether we use it or
16 not is such a long-term source. Presently available
17 renewable energy technology is financially competitive
18 with useful oil and gas costs. The following are
19 conservative worst case estimates of renewable energy
20 technology.

21 A mass produced solar space
22 heating system is available which provides 40% of
23 the average home's space and water heating requirements
24 at a capital cost of \$5,000. Now, the per barrel of
25 delivered energy cost is \$29. Recall the oil and gas
26 per useful barrel cost of \$47. Long-term storage of
27 solar energy is a fledgling technology which is
28 particularly appropriate to short intense northern
29 summers. The cost per delivered barrel of energy today
30 by this method is already as low as \$63 and promises

1 to further decline.

2 Wind generation in windy
3 regions, which means most of Canada north of the 53rd
4 parallel, now costs \$2,000 per peak kilowatt of
5 delivered energy. On a barrel of energy basis, that
6 cost is about \$49.

7 Now, these examples raise a
8 number of questions. Is a combined strategy of energy
9 conservation and optimal use of renewable energy
10 technology more economically attractive than a
11 Mackenzie Valley energy corridor? Would it not be
12 interesting for northerners to compare the costs and
13 benefits of the Foothills proposal to pipe gas to
14 northern communities with the costs and benefits of
15 conserving and using renewable technology?

16 Until Canada seriously
17 investigates and reports on these kinds of questions,
18 Canada should not build a Mackenzie Valley energy
19 corridor.

20 Now, what does an alternative
21 strategy such as I've just outlined mean in terms of
22 some of the economic concerns raised by the Work-
23 group? Well, the lower capital requirement of this
24 strategy means that the energy demand is proportionately
25 reduced. This means a higher useful energy return
26 per invested dollar and this also frees capital for
27 other sectors of the economy such as small business,
28 hospitals and schools. These positive economic trends
29 are the inverse of the economic implications of Arctic
30 oil and gas as described by John.

Some of the other relevant
and renewable energy technology

B. The technology tends to be easily understandable and operable. Some designs can be made and/or installed by the homeowner.

The Workgroup also noted the likely self-fulfilling spiral of development that would follow a decision to allow a pipeline. This would be enhanced by the recent generous provisions of the oil and gas regulations.

In distinction, a smaller scale, more evenly distributed, less capital-intensive energy program retains the flexibility to pursue frontier energy if it is needed. The reverse is much more difficult if not impossible.

To conclude, we hope this brief

S. Casey
P. Williams

1 has introduced the notion which is rapidly gaining
2 support in the energy policy field, the notion that
3 there are a number of technically feasible ways of
4 providing energy, and the choice of which methods to
5 use should^{be}/governed by social and ethical considerations.
6 Now we strongly suggest that a conserving and renewable
7 energy strategy offers the potential of a larger
8 measure of political freedom, social diversity and
9 economic responsibility to both southerners and norther-
10 'ers. In short, it is ethically and socially preferable.

11 Thank you.

12 (WITNESS ASIDE)

13 MR. SCOTT: Mr. Commissioner,
14 the next submission will be made by Mr. Paul Williams
15 of the Union of Ontario Indians.

16 PAUL WILLIAMS, resumed:

17 THE WITNESS: Mr. Commissioner
18 I should clarify that the person making our presentation
19 tonight is going to be Mr. Harry Laforme and not myself,
20 and that I'm merely going to make some introductory
21 statements to his presentation.

22 The Union of Ontario Indians
23 is an organization representing more than fifty groups
24 of Indians in Ontario which the Canadian Government has
25 chosen to use the word "band" in their designations.

26 What we have to say to this
27 Commission Inquiry tonight may sound cynical. It may
28 sound bitter. It's based on our feelings and it's
29 based on our experience in Ontario with this government
30 and with past governments. We have absolutely no reason

P. Williams
H. Laforme

1 whatsoever to trust the government. The government
2 has given us no reason in the past or the present to
3 trust them.

4 Now, we'd like you to know
5 that none of these comments are directed to you
6 personally, that we appreciate your efforts and
7 your patience and your goodwill in the process of this
8 Inquiry and we are hoping against hope that the
9 Commission will have more power than we feel and that
10 we fear it has.

11 Also our comments are not
12 going to be technical or sociological in nature. We
13 not experts on technology or sociology. We're not
14 experts on the north nor its people and the people
15 the north can speak for themselves. Mr. Laforme.

(WITNESS ASIDE)

16 HARRY LAFORME, resumed:

17 THE WITNESS: Thank
18 you. To begin with, it's ironic that the native
19 people find themselves making representation to the
20 Government Commission to help that Commission tell the
21 Government of Canada how to build a pipeline through
22 Indian territory. The realities of this Commission's
23 efforts are not to determine whether or not the
24 pipeline will be built but what can be the expected
25 repercussions after it is built. We know deep down
26 inside that this pipeline is more than a government
27 dream. It will be built.

28 Starting with that, we now
29 want to say that we are not nor do we profess to be
30 experts on the problems and needs of our native bro-

1 and sisters to the north. What we are experts on is
2 getting the short end of the stick in our dealings
3 with Canada as a whole. It is in this area that we
4 find we are qualified to give evidence.

5 We have discovered that in
6 dealing with the white man for over 200 years, one
7 thing has developed as a certainty and that is we
8 don't trust him nor has he ever given us reasons
9 why we should. We welcomed the whites to our land
10 and in return we find it was always his. What we find
11 we had was a land right called "personal and usufructary".
12 To Canadian society, this may sound obscene. To
13 Indian people it is.

14 We then surrendered much of
15 this interest and asked to be left with our traditional
16 rights to hunt and fish. The Government of Canada
17 granted this request, yet today those rights are now
18 being taken away by legislation from that same
19 government.

20 At one time the railroads
21 asked us to grant them land so that they could bring
22 trains which were also to provide us with the oppor-
23 tunity to share in the benefits being experienced by
24 the non-Indian communities. This would provide jobs
25 and the Indian would be permitted to travel on the
26 railroads for free. Today, Indians are still waiting
27 for those benefits. The jobs were complete when the
28 railroads were and Indians don't travel for free.

29 What we're illustrating is
30 that all the development in the past, all the promises

H. Laforme

1 given in the past and all the so-called benefits were
2 mere puffing as they affect Indian people. We are
3 today Indians who are unable to live in the past,
4 unable to compete effectively with the present and
5 at best optimistic about the future.

6 We're not totally ignorant
7 of the need for energy by the masses to the south
8 of us as well as in Canada. In fact, if we searched
9 our souls, we may even sympathize with their need.
10 What we ask is that consideration be given to the
11 needs of our native brothers and sisters in the north
12 who will be affected by the pipeline. Don't look
13 upon the Indian's attachment with the land as you
14 look upon a child's belief in Santa Claus. The
15 beliefs of Indian people are just as sincere and just
16 as sacred as any the rest of Canadian society cherishes.
17 Indian people have a contribution to make regarding the
18 land. It's always been recognized by us as the basis
19 of our very lives.

20 With such a love for the
21 land, it seems only logical that they take an active
22 and equal part in its development and not merely
23 with providing them with construction jobs. We're
24 not advocating the development of the north but at
25 the same time, we're not naive enough to think that
26 it won't happen. It has to simply because that's the
27 white man's way. What we do say is we don't trust the
28 government nor do we trust the sincerity of any
29 promises made by them or their representatives. We
30 will seek to protect the native peoples' interests with

H. Laforme
G. Beakhurst

every means available to us. We're tired of broken promises and we can only inform our native brothers and sisters to the north to be cautious because if history is an indication, the promises won't be kept.

To paraphrase a great Indian leader of the past:

"The only promise the white man ever kept was a promise to take our land."

That promise is still being kept.

Thank you.

(WITNESS ASIDE)

MR. SCOTT: Mr. Commissioner, the next submission will be made by Mr. Graham Beakhurst of the Faculty of Environmental Studies at York University.

GRAHAM BEAKHURST affirmed:

THE WITNESS: Mr. Commissioner, your reputation for patience and late sittings has preceded you here and I do not want to tax you very much more in either respect this evening.

Since this is the closest hearing to my own community, I think it's an appropriate place to speak personally about my feelings towards the proposed pipeline. Later in the formal hearings, I will be giving evidence on behalf of COPE about my professional interpretation of certain aspects of the government and administration of the north, but tonight I am speaking only for myself.

It is more than two years, Mr. Commissioner, since I last appeared before you on

G. Peakhurst

1 the first morning of your first preliminary hearing
2 in Yellowknife. In that time, I have had trouble
3 keeping up even with the summaries of your proceedings
4 and have tried instead to ask myself "What are the
5 most important questions to be confronted in assessing
6 a project such as this?".

7 I think that are really only
8 three.

- 9 1. What are the benefits that it will yield and who
10 will receive them?
11 2. What are the costs involved and who will pay them?
12 3. Do the benefits outweigh the costs?

13 From my limited perspective,
14 it seems that the major benefits to be derived are
15 profits for the shareholders of energy and energy-
16 related corporations, income for their employees
17 and a modest increment to existing domestic supplies
18 of natural gas that will most benefit those who use
19 it least efficiently.

20 The main costs are social
21 upheaval and environmental destruction in the north
22 that will be borne largely by Eskimo and Dene people
23 who stand to gain little in return. There will be
24 economic costs as well for southern Canadian but it
25 is the indirect costs to us that I want to talk about
26 and discuss in the third question.

27 For northerners, the answer
28 to this third question seems pretty clear. The benefits
29 of building the pipeline now and in the ways proposed
30 cannot possibly outweigh the costs of development that

G. Beakhurst

1 are already being felt. Government and the corporations
2 are fond of telling us about the economic benefits
3 of the pipeline and the benefit that it will yield to
4 the north and the numerous measures they will take
5 to mitigate the impact of its construction.

6 We do not however have to
7 go solely on such pious promises for they both have
8 a record in the north and there is already a history
9 of the potential impact that even a small influx of
10 southerners can have on northern communities.

11 I spent several months in
12 and around Fort Simpson in the late '60's and gained
13 at least a superficial impression of the community and
14 of the community's view of itself. I returned there
15 early in 1973, shortly after the highway had been
16 completed from the Providence crossing and the contrast
17 to say the least was both startling and saddening.

18 I do not propose to go into
19 the details which you must have heard many times
20 except to say that when I visited Fort Wrigley later
21 that same summer, it was easy to understand the genuine
22 fear felt there about the possibility of their
23 community becoming a second Simpson.

24 Mr. Commissioner, I do not
25 want what has happened to Fort Simpson to happen
26 to my community and for that reason alone I cannot
27 support or condone anything that would do further
28 damage to the people and the communities of the Mack-
29 enzie and western Arctic.

30 I said earlier that there were

G. Beakhurst

1 three questions to be addressed and this really is the
2 way I look at the third question as a resident of
3 (south-west Ontario. I have heard it said a number of
4 times that this Inquiry is a family affair in the north.
5 Well, for me it is a family affair in the south as
6
7 well. My parents live a few miles from a proposed
8 nuclear power station and the discussion in their
9 village about its potential in social impact and
10 environmental impact is not unlike that now going on
11 in the Mackenzie.

12 For anyone living close to
13 a potential source of energy or of a transmission
14 system for energy, the question has to be "When will
15 it be my turn?". If gas were found under my house,
16 I wonder how long would it be before the energy
17 corporations were beating a path to my door offering
18 free cigarettes and high priced bull cooking work for
19 a couple years if I'd only shut the hell up and
20 get off my land. It is not emotionalism or political
21 persuasion that cause me to support the native people
22 in their fight for a just and proper land settlement
23 but a healthy dose of self-interest. In the end, we
24 are all on the frontier when private and public
25 organizations decide that the demand for energy out-
26 weighs any rights that we thought we had to lead our
27 own lives in our own communities according to our
28 own choices.

29 The question of energy demand
30 is of course the other side of the coin to northern

G. Beakhurst

1 development as presently conceived. I have never yet,
2 Mr. Commissioner, met a northerner who has said he
3 would deny energy resources to the south if we were
4 genuinely freezing in the dark, ^{though} / I have met a number
5 of Albertans who would.

6 I think that --

7 THE COMMISSIONER: Are you
8 sure it was only facetious?

9 A I certainly was Mr.
10 Commissioner. I think that most northerners see
11 energy development as an important part of their
12 future but one that should be carefully thought out
13 before it begins and it should be compatible with
14 their aspirations for the north and the real needs of
15 the majority of southern Canadians.

16 In answering the third
17 question, Mr. Commissioner, one cannot avoid the fact
18 that we are simply not all equal when it comes to
19 energy demand and energy consumption. It would not
20 surprise me if northerners begin again to wonder about
21 the energy desperation of a society that preaches
22 conservation to the majority while initiating super-
23 sonic transAtlantic air travel for the convenience of
24 a few high priced businessmen and bureaucrats.

25 We have, I think, been told
26 just too often to believe it that we will freeze in the
27 dark without frontier energy resources as if these
28 were the only two alternatives we have. Northerners
29 are presented with similar stark alternatives when
30 government and industry tell them that either they

G. Beakhurst

1 accept massive energy and mineral development on their
2 back doorsteps or suffer social and economic disaster.
3 The kicker, I suppose, being that government will ensure
4 such disasters in the face of community intransigence.

5 Well Mr. Commissioner, these
6 are simply not the only alternatives open to northern
7 people as you have no doubt already heard. Just as
8 northern hydrocarbons or energy exhaustion are not
9 the only two for us in the south. If we do not have
10 the wit and imagination to conceive of saner alternat-
11 ives and to force them upon our rulers, that is hardly
12 a reason to fence northerners into a similar corner.

13 I suspect that many southern-
14 ers do not much care about what happens to the north
15 either because they do not believe that it could
16 happen to them or because it has already happened.
17 When you step outside this evening and look around,
18 it should be of little wonder that many Torontonians
19 care little about the northern environment having
20 yielded up so much of their own to the excesses of
21 urbanization.

22 On the other hand, there is
23 increasing evidence that massive energy and transporta-
24 tion developments on our own doorstep might not
25 exactly be in our own overall best interests.

26 I hope that your hearings in
27 the south will bring home to more of us the fact that
28 what is happening in the Mackenzie today could well
29 happen here tomorrow. The difference perhaps is that
30 northerners have so few alternatives open if their land

G. Beakhurst

1 and their communities are sacrificed in the rush for
2 frontier profits.

3 Mr. Commissioner, if you can
4 do anything to prevent the impending tragedy, the
5 effort will have been well worth it.

6 Thank you.

7 (WITNESS ASIDE)

8 MR. SCOTT: Mr. Commissioner,
9 those are the submission listed for this evening's
10 presentation. Counsel for the participants have
11 told me that they don't wish to utilize their
12 opportunity this evening but wish to reserve the
13 right to do so.

14 I should tell the audience
15 that there will be three sessions tomorrow in which
16 there are listed some 27 or 28 briefs to be presented.
17 The sessions begin in the morning at 10 o'clock,
18 in the afternoon at 2 o'clock, in the evening at 8
19 o'clock in this room and among these submissions will
20 made, one by the Ontario Chamber of Commerce, the
21 Ontario Federation of Labor, the Canadian Gas Associa-
22 tion, the Institute of Environmental Studies, the
23 Union Gas Company and the London Conference of the
24 United Church of Canada.

25 But those are all the
26 submissions this evening sir.

27 THE COMMISSIONER: Well ladies
28 and gentlemen let me thank you for your attendance
29 here and let me especially thank those persons and
30 organizations who took the time and trouble to make

1 representations to the Inquiry tonight. Let me
2 you
3 assure/that I take the attitude toward each brief
4 that I can learn something from each one of you and
5 I appreciate very much the participation of the
6 persons and organizations who have submitted briefs
7 tonight.

8 May I just say that we have
9 heard from a variety of points of view. We have heard
10 a variety of points of view tonight and I think that's
11 a good thing. I think that if I may say so, that it
12 is healthy for all of us in this room to hear not
13 only the views of those whom we agree with, but to
14 hear and to consider the views of those with whom we
15 disagree.

16 I think I should say that
17 representatives of all of the organizations that
18 are parties to the Inquiry are here tonight. Mr. Horte
19 the president of Artic Gas, Mr. Littledale, the vice-
20 president of Foothills Pipe Lines, Dr. Pimlott of
21 Canadian Arctic Resources Committee and representatives
22 of the Indian Brotherhood, the Metis Association and
23 the Committee for Original Peoples Entitlement which
24 represents the Inuit people of the western Arctic and
25 they have heard your views expressed here and elsewhere
26 and you've had the advantage of hearing the point of
27 view of all of those who have spoken tonight.

28 Let me just say that I
29 apologize for the fact that it will not be possible
30 here in Toronto to allow all of those you have filed
briefs with the Inquiry to present them in public. That

1 has not been possible in any of the cities in southern
2 Canada that we have visited and all I can do is
3 repeat what Mr. Scott urged you to do earlier, to
4 send your brief to the Inquiry in Yellowknife, Northwest
5 Territories addressed to me or to the Inquiry. It
6 will reach us there, and to say that tomorrow, we look
7 forward to seeing as many of you as can attend at that
8 time and to hearing the briefs of those who will be
9 presenting them tomorrow.

10 What about that movie? Is
11 that being shown tomorrow in advance of the hearing
12 Mr. Waddell?

13 MR. WADDELL: It's going to
14 be shown at 7 o'clock, Mr. Commissioner.

15 THE COMMISSIONER: Yes, well
16 this infamous movie will be shown at 7 o'clock
17 tomorrow night and the Inquiry is adjourned until
18 10 in the morning.

19 (PROCEEDINGS ADJOURNED TO MAY 26, 1976)
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Community 58

AUTHOR

Mackenzie Valley pipeline inquiry:

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Toronto, Ont. May 25, 1976

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MACKENZIE VALLEY PIPELINE INQUIRY

Government
Publications

IN THE MATTER OF APPLICATIONS BY EACH OF

- (a) CANADIAN ARCTIC GAS PIPELINE LIMITED FOR A RIGHT-OF-WAY THAT MIGHT BE GRANTED ACROSS CROWN LANDS WITHIN THE YUKON TERRITORY AND THE NORTHWEST TERRITORIES, and
 - (b) FOOTHILLS PIPE LINES LTD. FOR A RIGHT-OF-WAY THAT MIGHT BE GRANTED ACROSS CROWN LANDS WITHIN THE NORTHWEST TERRITORIES
- FOR THE PURPOSE OF A PROPOSED MACKENZIE VALLEY PIPELINE

and

IN THE MATTER OF THE SOCIAL, ENVIRONMENTAL AND ECONOMIC IMPACT REGIONALLY OF THE CONSTRUCTION, OPERATION AND SUBSEQUENT ABANDONMENT OF THE ABOVE PROPOSED PIPELINE

(Before the Honourable Mr. Justice Berger, Commissioner)

Toronto, Ont.

May 26, 1976.

PROCEEDINGS AT COMMUNITY HEARING

Volume 59

CANADIAN ARCTIC
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Mr. Ian G. Scott, Q.C.
Mr. Ian Waddell, and for Mackenzie Valley Pipeline
Mr. Ian Roland, Inquiry;

Mr. Pierre Genest, Q.C. and
Mr. Darryl Carter, for Canadian Arctic Gas
Pipeline Limited;

Mr. Alan Hollingworth and
Mr. John W. Lutes, for Foothills Pipe Lines Ltd.;

Mr. Russell Anthony and
Pro. Alastair Lucas for Canadian Arctic Resources
Committee;
Mr. Glen Bell, for Northwest Territories
Indian Brotherhood, and
Metis Association of the
Northwest Territories.

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Toronto, Ont.

May 26, 1976.

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: Well, ladies and gentlemen, I'll ask that our hearing come to order this morning.

The Mackenzie Valley Pipeline Inquiry is holding hearings in the main centres of Southern Canada to consider what people who live here in Southern Canada have to say about the proposal to build a Mackenzie Valley Pipeline.

There are two companies that are competing for the right to build a pipeline to bring natural gas from the Arctic to markets in Southern Canada and the United States. One of these companies, Arctic Gas, proposes to bring natural gas from Prudhoe Bay along a pipeline route that would extend across the Arctic coast of the Yukon Territory and then across the mouth of the Mackenzie Delta. There the line from Alaska would join a line carrying gas from the Mackenzie Delta and then the main trunk pipeline carrying Alaskan gas and gas from the Mackenzie Delta would travel along the route to the Mackenzie River south carrying Canadian gas to Canadians in Southern Canada, and Alaskan gas to American markets in the lower 48.

The Foothills proposal is to build a pipeline that would simply carry Canadian gas from the Mackenzie Delta south along the Mackenzie River to Alberta, and there the pipeline would join the Alberta Gas Trunk Line system and gas would be fed into

1 the Westcoast system in B.C., the Alberta system and
2 into the TransCanada Pipeline for delivery to Eastern
3 Canada.

4 Now, this Inquiry has been
5 considering the impact of these pipeline proposals at
6 hearings in Northern Canada for 14 months. There we
7 have held formal hearings where we listened to the
8 views of experts -- experts from the industry, from
9 the government, from the universities. There we pro-
10 vide an opportunity for lawyers who represent the
11 two companies that want to build the pipeline, the
12 native organizations, the environmentalists, northern
13 municipalities and northern business to cross-examine
14 the experts. Witnesses are called from all over the
15 country and from the United States and elsewhere to
16 discuss northern conditions and the northern environ-
17 ment.

18 At the same time the Inquiry
19 has been to 28 cities, towns, villages, settlements and
20 outposts in the Canadian north, communities where the
21 people who live in the north spend their lives --
22 white people, native people, the people whose lives
23 will be most affected if a pipeline is built; and we
24 have been to all of those communities so that those
25 people can tell us what their own life and their
26 own experience lead them to believe the impact of a
27 pipeline will be.

28 We have been examining the
29 impact on the northern environment. The Northern Yukon
30 is the habitat of one of the last great herds of

1 caribou in North America. There is a population of
 2 5,000 white whales in the Beaufort Sea that come into
 3 the Mackenzie Delta each summer to have their young.
 4 The Mackenzie Delta and the perimeter of the Beaufort
 5 Sea are ^{the} breeding and staging areas for millions of
 6 birds that fly north from all over the Western Hemis-
 7 phere each spring. All of these environmental consider-
 8 ations are before the Inquiry. We're wrestling with
 9 the question: Can we proceed with pipelines and
 10 oil and gas development and still enable these species
 11 to survive?

12 We're examining the question
 13 whether the land claims of the native peoples of the
 14 north -- Indian, Metis and Inuit -- should be settled
 15 as the native peoples of the north urge, before a
 16 pipeline is built. We're considering the question,
 17 if a pipeline is built, how can native peoples and
 18 other northerners be enable to find meaningful employ-
 19 ment on the pipeline? How can they develop skills that
 20 will be of use to themselves and to the north after
 21 pipeline construction is over? We have been looking
 22 at the question: How can northern business be enabled
 23 to obtain contracts and sub-contracts from the pipe-
 24 line? What about the unions? What measure of control
 25 should they have over pipeline construction? What
 26 about the impacts on Municipal Government in the north?
 27 The increased cost of police and fire and local ser-
 28 vices that will ensue if a pipeline boom takes place
 29 in the north -- we are examining all of these questions
 30 and we're here spending a month, after 14 months in

1 the north we're spending a month in the main centres
2 of Southern Canada to see what you think about all of
3 this.

4 I think I should just say
5 that the Federal Government in the pipeline guidelines
6 that were tabled in the House of Commons has made it
7 plain that we are not to consider this proposed gas
8 pipeline in isolation; we are to proceed on the
9 assumption that if a gas pipeline is built, then an
10 oil pipeline will follow. So what we have under con-
11 sideration is an energy corridor bringing fossil
12 fuels from the Arctic to the mid-continent, and it
13 is the social, economic, and environment impact of
14 that proposed energy corridor that is under consid_era-
15 tion at this Inquiry.

16 The questions of gas supply,
17 how much gas is there in the Mackenzie Delta and the
18 Beaufort Sea, questions of Canada's own gas requirements,
19 what volumes of gas will Canadians require in the years
20 that lie ahead, questions relating to export of gas,
21 all of those are matters for the National Energy
22 Board of Canada.

23 Finally, it will be for the
24 Government of Canada, when all is said and done, to
25 decide whether a pipeline should be built and an
26 energy corridor established. The Government of Canada
27 will have the report of this Inquiry, which will deal
28 with the impact on Northern Canada of the building
29 of the gas pipeline and the establishment of an energy
30 corridor; it will have the report of the National Energy

1 Board dealing with Canada's gas supply and gas require-
2 ments, and then weighing up all of those considerations,
3 it will be for the government, the people elected to
4 govern, the people elected to make decisions on these
5 questions of high national policy to decide what is
6 to be done.

7 At any rate, we are here to
8 give you, whose patterns of energy consumption and
9 whose appetite for oil and gas have given rise to
10 proposals to bring fossil fuels from the Arctic, an
11 opportunity to make your own contribution to this
12 process.

13 I think that I perhaps should
14 add that throughout this Inquiry's hearings in Northern
15 Canada a unit of broadcasters from the C.B.C. has been
16 broadcasting each evening for an hour over the C.B.C.'s
17 northern network to people throughout the north in
18 English and the native languages, and those broad-
19 casters are accompanying the Inquiry on its tour of
20 Southern Canada this month, and broadcasting each
21 evening over the Northern Network to the people of
22 the north about the things that have been said at
23 these hearings in southern centres as we move across
24 the country. Those broadcasters who are with us
25 today are Whit Fraser, who broadcasts in English;
26 Jim Sittichinli, who broadcasts in Loucheux; Joe
27 Toby, who broadcasts in Chipewyan and Dogrib; Louis
28 Blondin, who broadcasts in Slavey; and Abe Okpik, who
29 broadcasts in Eskimo.

30 I'll ask Mr. Goudge to outline

1 our procedure this morning.

2 MR. GOUDGE: Yes sir. I
3 should say first that the procedures we propose to
4 follow has been agreed to by all the full-time parti-
5 cipants who are participating before you in the Inquiry
6 as it conducts its hearings at Yellowknife, and
7 they are obviously designed to allow as full a parti-
8 cipation by those who wish to say something here to you
9 as is possible, given the exigencies of time.

10 The Inquiry advertised some
11 time ago in the major papers across Southern Canada
12 and asked for written briefs to be filed with the
13 Inquiry office in Ottawa by May 1st. That was to
14 allow us to plan the time we have available in Southern
15 Canada in the most efficient way, and those who res-
16 ponded from Ontario have been scheduled here over the
17 3½ days we propose to sit in Toronto by Mr. Waddell.
18 Any of those who did not file briefs with our office
19 in Ottawa but wish to make submissions would be ad-
20 vised to speak to Mr. Waddell, who is seated on my
21 right, and I know he'll do his best to fit you into
22 the schedule we have here. It may not be possible.
23 We have had a long list of participants who are
24 anxious to speak in Toronto, but Mr. Waddell will do
25 his best.

26 The procedures are really
27 very simple. The first we propose is that there be
28 no cross-examination of people delivering briefs at
29 these hearings, but if it should appear desirable that
30 there be further questioning of the people giving

M. Hummel

1 evidence here, we will attempt to arrange that that
2 be done at a mutually convenient time and place.

3 The second is that we've agreed
4 that the full-time participants before your Inquiry
5 will have the opportunity at the end of the session
6 to respond briefly to what has been said here today.

7 Thirdly, we will ask each
8 witness to take the oath or to affirm. This is the
9 procedure that we have followed in the north, and it's
10 indicative, I think, of the importance that the Inquiry
11 places on what is said here.

12 Those are the procedures, sir.
13 Now I'll ask Mr. Waddell if he will call the witnesses.

14 MR. WADDELL: Mr. Commissioner,
15 on the list of briefs this morning we have Pollution
16 Probe, Noranda Mines, the Canadian Gas Association,
17 Mr. Norman Zlotkin representing a number of groups,
18 the Interior Chamber of Commerce, Union Gas, the
19 Ontario Federation of Labour, the London Conference
20 of the United Church of Canada, Mr. Patrick Scott,
21 and Miss Joyce Young. So we'll get going on that list.

22 I would call first Mr. Monte
23 Hummel, who is with Pollution Probe.

24
25 MONTE HUMMEL, sworn:

26 THE WITNESS: Thanks very much.
27 Good morning.

28 In the past, Pollution Probe
29 has spoken up fairly often about the environmental
30 impacts of the Mackenzie Valley Pipeline. I hope the

M. Hummel

Commission will not be disappointed if we don't focus on this again today. Frankly, we don't have anything new to say along these lines. We feel that environmental concerns have been acknowledged as having a much higher priority now than five or six years ago, and the Beaufort Sea decision notwithstanding, we intend to make sure that government, industry, and all parties involved are committed to preparing high quality environmental impact statements before physically intervening in the Arctic and sub-Arctic environments.

The other point we have raised repeatedly in the past is the need for extensive public participation leading to local and broad-based consensus about how, when, or whether the pipeline should be built. This still concerns us, though the establishment of these hearings and the way they have been conducted are a very positive move on the part of the Federal Government. However, we are uneasy about three matters:

- . that approval might be given or construction begin before native land claims have been resolved;
- . or before this Commission's recommendations are submitted;
- . or before the National Energy Board hearings have been completed.

In the haste to get moving with the pipeline, all three of these possibilities have been hinted at, and we would be absolutely opposed to any step in this direction.

We obviously still feel

M. Hummel

1 strongly about these points, but what I've said so
2 far, we've really said before. For the rest of my
3 brief, then, I would like to outline some of the more
4 recent concerns we've had. You'll notice that these
5 concerns have led us to ask not how the project might
6 go ahead, or how it might be modified to meet various
7 social or environmental factors, but whether it should
8 be built at all.

9 Perhaps this over-simplifies
10 the matter but we still can't get a straight answer
11 to this question: Why risk the social and environmental
12 fabric of the Arctic for what is at best only an interim
13 solution to our energy problems?

14 THE COMMISSIONER: What was
15 the question again?

16 A The operative word?

17 Q Yes, what was the
18 operative word?

19 A "Interim".

20 Why risk the social and
21 environmental fabric of the Arctic for what at best is
22 only an interim solution to our energy problems? The
23 pipeline has no long-term potential whatsoever. In fact
24 it only delays taking more meaningful steps to ensure
25 that we have an adequate supply of energy. We haven't
26 found anyone who disagrees with this, including govern-
27 ment energy planners and some senior executives of
28 Canada's energy and resource industries. In light of
29 this, I would have thought that this pipeline, along
30 with many other northern oil and gas developments,

1 would be proposed as tentative or holding pattern
2 kinds of strategies, ^a transitional strategy, a sort
3 of holding pattern or in-between step allowing us to
4 get down to the more long-term job of planning and
5 implementing a more lasting solution based on more
6 efficient renewable forms of energy. Yet we haven't
7 seen one shred of this kind of thinking, not from the
8 industry (at least not publicly stated) and not from
9 the public statements of our Federal Government,
10 especially in its latest energy policy statement. It
11 seems to us that Canadians would be foolish to under-
12 take a project of this size without a clear under-
13 standing of where it fits in in these terms. In
14 other words, let's hear where it fits in, and then
15 decide whether it makes sense to go ahead. Or more
16 strongly put, what business do we have contemplating
17 going ahead without knowing where it fits in? Our
18 hunch is that when you think backwards, that is when
19 you look at where our society wants to be with respect
20 to energy supply by say 2025, and consider what must
21 be done now to make sure that we get there, then the
22 Mackenzie Valley Pipeline may not fit in at all.

23 A second concern is that
24 this scheme fuels a demand for energy which is
25 irresponsible and must be re-examined, especially here
26 in the south where the largest part of that demand
27 originates. It would be a difficult matter -- it would
28 be a different matter if we were using our current
29 supplies wisely and efficiently with serious efforts
30 at energy conservation, but we aren't. Pollution Probe

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1 can't understand an energy strategy that proposes to
2 give more pabulum to an overweight baby who's throwing
3 what he's already got all over the floor, especially
4 when he's old enough to learn not to over-eat in the
5 first place and eat what he does get properly. To
6 add insult to injury, proposals like the Mackenzie
7 Valley Pipeline ask us to worsen our net energy
8 ratio , that is to invest more and more energy for
9 each B.T.U. which we get back, or use. Until we
10 remedy both of these situations and begin to set our
11 own house in order, I certainly wouldn't want to have
12 to explain to northerners that we in the south need
13 the Mackenzie Valley Pipeline.

14 A third and related concern
15 is that it's now clear that it costs less to save
16 energy, thereby knocking back demand, than it does
17 to increase supply by the same amount. Why not do
18 the same amount of work with less energy and have
19 some left over for new demands, especially when that
20 strategy costs substantially less than continuing to
21 waste what we now use while looking for additional
22 supplies through projects like the Mackenzie Valley
23 Pipeline? Everyone agrees that we're wasting energy.
24 Both the Science Council of Canada and the Office of
25 Energy Conservation have undisputed data on the
26 economic advantage of the conserving strategy over
27 increasing supply. In other words, we're not sure that
28 Canadians ^{would} /be following their own best advice by
29 undertaking the pipeline.

30 A fourth concern is that even

1 if the energy demand were justified, by building this
2 project we opt for one source of energy, namely gas,
3 and as you have said, an ensuing oil pipeline, without
4 having seriously explored the practicability of alter-
5 native sources, particularly renewable sources such
6 as solar, wind and biomass. By heavily capitalizing
7 more conventional sources, we are foreclosing^{the}/develop-
8 ment of renewable resources of energy -- this in the
9 face of world-wide acknowledgment of the fact that
10 fossil fuels have only short-term potential. Energy
11 Probe's preliminary research indicates that renewable
12 forms of energy are very practical for Canada, and
13 that they are more efficient because the energy source
14 is closer to the load and because they provide a
15 greater form of energy that more closely matches with
16 end use. Also, we suspect that renewable energy is
17 now competitive and in the future will undoubtedly be
18 cheaper than conventional sources, especially when
19 costed over time and coupled with meaningful conserva-
20 tion efforts. So even if we leave aside the question
21 of whether or not demands are justified, which is
22 probably more properly a question for the National
23 Energy Board, we must ask what constitutes the best
24 supply mechanism, whatever the demand? In either
25 case, we seriously question the value of the Mackenzie
26 Valley Pipeline.

27 A fifth concern is that we
28 have not yet prioritized the various uses to which oil
29 and gas reserves might be put. On what rational basis,
30 for instance, have we decided that the best use of

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1 natural gas is to simply burn it for its energy
2 content? What is the petrochemical and plastics
3 applications for petroleum derivatives? Pollution
4 Probe doesn't know the answer to this question. But
5 who does? If the answer, as we suspect, is "Nobody",
6 then I repeat I wouldn't want to have to explain why
7 it is that we need the Mackenzie Valley Delta gas now.

8 Perhaps our sixth and final
9 concern is really just a summary of what's already been
10 said here and by Energy Probe. It is that the Macken-
11 zie Valley Pipeline generally symbolizes in our judg-
12 ment a wrong-headed energy strategy. It accepts
13 present demand, trying to meet rather than question it.
14 It's enormously expensive. It has harmful social and
15 environmental impacts. It provides increased centraliza-
16 tion of energy technology with its attendant wastage
17 through transmission and technological distancing in
18 terms of public understanding. It has the air of being
19 pre-planned by industry and government, then sprung
20 on the Canadian public; and it is based on non-
21 renewable resources, therefore posing no long-term sol-
22 ution to what is unquestionably a long-term problem.
23 In contrast, we think it's still within our grasp to
24 implement a very different strategy that is less expen-
25 sive, more efficient, decentralized, understandable,
26 low in environmental impact, less demanding in terms
27 of social adaptation, and based on our energy income
28 -- that is on renewable sources of energy that are
29 with us every day.

30 I'm sure you've noticed that

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perhaps unlike the past, this brief has not been exactly loaded down with numbers and statistics. Rather it has tried to offer a plain-talk logical framework within which anyone can ask, "Why build the Mackenzie Valley Pipeline?"

That's not to say that we don't have numbers and technical data on our side. In fact, some of Pollution Probe's strongest supporters and best advisers are senior energy experts within government and industry, here, south of the border, and abroad. But this brief reflects our belief that the Mackenzie Valley Pipeline issue, and the string of conventional energy developments waiting in its wake will not be resolved so much by one man's numbers versus another's, as by a more deepseated feeling for what kind of future we want.

Thank you.

THE COMMISSIONER: Thank you, Mr. Hummel.

(SUBMISSION BY POLLUTION PROBE - M. HUMMEL -
MARKED EXHIBIT C-439)

(WITNESS ASIDE)

MR. WADDELL: The next presentation, sir, is from the president of Noranda Mines, Mr. Alfred Powis. Mr. Powis, will you go up there, please?

ALFRED POWIS, sworn:

THE WITNESS: Mr. Commissioner, Noranda Mines is a public company incorporated in the

Province of Ontario, and is engaged at various locations throughout Canada, directly or through its subsidiaries and associates, in mineral exploration and mining, metallurgical processing, metal manufacturing, production of chemicals and fertilizers, oil and gas exploration and production, and forest products. Approximately 31,000 people are employed in the company's domestic operations. 94% of our issued shares are held by residents of Canada.

About 60% of annual sales revenue of the Noranda group of companies is derived from domestic markets, where we supply a wide range of raw materials and secondary products to industrial users. Sales of export products, including copper, zinc, potash, pulp and lumber, exceeded \$460 million in 1975.

As a major energy user, the equivalent of some 75 million cubic feet of gas a day, Noranda is highly conscious of the need to maintain an adequate supply of hydrocarbon fuels for all sectors of the Canadian economy, both over the short and longer term. Noranda is co-operating fully in joint government-industry efforts to promote conservation of energy. Direct industry use of energy accounted for about 40% of the total approximate 7.9 quadrillion B.T.U.s consumed in Canada in 1975, the remaining 60% meeting the needs for residential, commercial, and transportation uses. It is still too early to establish how effective energy conservation measures will be in the industrial sector; current

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1 predictions are for no greater than a 5 to 15% reduc-
2 tion in energy consumption, if all waste is eliminated.
3 Even if this range of conservation is achieved, or
4 if it can be significantly exceeded in the other
5 user areas, it appears that energy supplies available
6 from all existing domestic sources will be insufficient
7 to meet requirements for reasonable expansion of the
8 Canadian economy through to 1990.

9 Therefore we believe even if
10 optimum results are achieved in the area of energy
11 conservation, significant new supplies of hydrocarbon
12 energy must be found, developed and transported to
13 user areas in order to maintain a healthy economy and
14 provide an adequate living standard for all Canadians.

15 Noranda is participating
16 directly in the search for new hydrocarbon reserves.
17 We have exploration and production operations in the
18 western provinces, and an interest in an exploration
19 program in the Arctic Islands.

20 However, with respect to the
21 proposed Mackenzie Valley Pipeline, this company has
22 no participation in any of the applicant groups, nor
23 does it hold gas reserves in the Mackenzie Delta or
24 the Beaufort Basin. Nevertheless, as a major energy
25 user, we support the view that all new sources of
26 future energy supply should be made available without
27 undue delay. On the basis of information made avail-
28 able to date, this pipeline appears to be justified
29 from the supply and techno-economic standpoints.
30 Within the scope of the hearing conducted before the

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1 National Energy Board, Noranda Mines is registered
2 as an intervenor supporting Canadian Arctic Gas.

3 We are familiar with the
4 mandates of this Inquiry and we have no independent
5 data to submit on the issues raised in the Inquiry's
6 hearings to date. We feel obliged to comment, however,
7 on the suggestion put forth that the Mackenzie Valley
8 Pipeline be delayed until all matters are resolved
9 to the satisfaction of northern residents. We
10 understand the concern regarding the environmental and
11 socio-economic impacts of this proposed pipeline on
12 the north. Nevertheless we hope that in addressing
13 this particular proposal, all parties involved
14 recognize the points to be resolved really apply to
15 all forms of development in the northern region.

16 Also, in any major development
17 undertaking, wherever located, there has to be a
18 certain amount of disruption and adjustment to new
19 conditions. We're confident that through the process
20 of this Inquiry adequate opportunities have been
21 given to arrive at an equitable solution, whereby this
22 pipeline could proceed with the least possible distur-
23 bance to the environment, and result in substantial
24 socio-economic benefits to northern residents. It
25 appears to us that any decision involving prolonged
26 delay or indefinite deferral of the proposed pipeline
27 would not resolve the key issues involved in all
28 future development of the north. On the other hand,
29 this Inquiry represents an opportunity to help solve
30 these particular problems in a way that would be

1 immensely beneficial to the future of the northern
2 people. We fail to see why starting construction of
3 the Mackenzie Valley Pipeline should be dependent
4 upon the settlement of long-standing native land
5 claims.

6 Certainly there should be
7 a show of good faith by both the Government of Canada
8 and representatives of the native people. A discussion
9 of those claims should at least be started prior to
10 commencing pipeline construction. However, we can't
11 see the logic of delaying the pipeline until a final
12 settlement is reached, particularly when such a delay
13 could eventually prove to be highly detrimental to
14 both the northern and southern people of Canada.

15 We suggest that any consider-
16 ation of delaying the pipeline should give due weight
17 to the following points which affect the people of
18 Canada as a whole:

- 19 1. Despite all efforts toward energy conservation
20 and increasing supply of hydrocarbon fuels from
21 existing producing areas, it appears highly doubtful
22 that Canada can maintain adequate domestic supplies
23 over the next ten years without production from at
24 least one frontier area. If the Mackenzie Valley
25 Pipeline is unduly delayed, the country could be
26 faced with a prolonged energy shortage.
- 27 2. In the event of a form of energy rationing being
28 instituted to counteract the domestic supply shortfall,
29 major industrial users would be forced to curtail
30 operations accordingly. The resulting reductions in

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1 employment and production of goods would drastically
2 alter the living standard of all Canadians, and force
3 decreases in many export sales areas on which our
4 economy is highly dependent.

5 3. If an energy shortage is to be rectified by
6 increasing imports of foreign crude oil, related effects
7 on our balance of payments and our currency exchange
8 rates would add to an adverse situation throughout the
9 Canadian economy.

10 We're very grateful for
11 this opportunity to present our views here. Thank you.

12 (SUBMISSION BY NORANDA MINES - A. POWIS -
13 MARKED EXHIBIT C-440)

14 (WITNESS ASIDE)

15 MR. WADDELL: The next brief,
16 sir, is from Mr. W.H. Dalton, president of the Canadian
17 Gas Association. Mr. Dalton?

18 WILLIAM H. DALTON, sworn:

19 THE WITNESS: The Canadian Gas
20 Association, formed in 1907, is the non-profit national
21 trade association representing 646 corporations and
22 individuals drawn from every segment of Canada's
23 natural gas industry.

24 We are aware, sir, that the
25 terms of reference of your Inquiry are to study the
26 social, environmental and economic impact on the
27 Northwest Territories and the Yukon of the construction,
28 operation and subsequent abandonment of any pipelines
29 from those regions to southern markets. In performing
30

1 your task, you have heard a considerable body of opinion
2 regarding all aspects of the impact of the development
3 of an energy corridor from the Arctic to the mid-continent
4 and the increased oil and gas exploration and development
5 that will result in the Mackenzie Valley, the Mackenzie
6 Delta and the Beaufort Sea.

7 These matters and others within
8 your terms of reference can have a profound effect on,
9 not only the northerners but all Canadians. In consider-
10 ing ways to maximize the benefits of such development
11 for northerners and minimizing any undesirable consequen-
12 ces, this Inquiry will be directly involved in shaping
13 the manner in which Canada's gas reserves in the Macken-
14 zie Delta area are delivered to consumers in Southern
15 Canada.

16 For this reason, as the national
17 trade association for the industry, we would like to
18 very briefly comment upon the natural gas industry and what
19 natural gas means to the Canadian way of life.

20 Eight million Canadians today
21 use natural gas in their homes to meet at least part
22 of their daily energy requirements. The vast majority
23 of these people are located in cities, towns and
24 hamlets scattered across Canada from British Columbia
25 to Quebec, although a few thousand people in New Bruns-
26 wick also use natural gas which is produced in a small
27 quantity within their province.

28 26% of all energy used in
29 Canada is, or is derived from, natural gas. Today the
30 use of this clean-burning fuel exceeds the combined

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1 consumption of coal, coke, hydro and nuclear electricity.
2 In short, natural gas has developed into an essential
3 fuel for Canada due in part to its pollution-free
4 characteristics, its safety, convenience and efficiency.

5 THE COMMISSIONER: You're
6 taking residential and industrial use into account in
7 making that comparison between the use of natural gas
8 and other fuels?

9 A I am, sir, yes.

10 Currently there are 2,100,000
11 households which are heated and otherwise served by
12 gas; twice the number of 15 years ago. In addition,
13 220,000 commercial and institutional customers use gas,
14 while more than 15,000 industries employ this fuel,
15 many of them because it is the only fuel they can use
16 to produce the materials and products in demand across
17 the length and breadth of the country and for export
18 markets.

19 Collectively, these customers
20 paid more than \$1.3 billion for the gas they consumed
21 in 1975. Almost half of this was paid by industrial
22 customers, while residential users across the country
23 accounted for about one-third of these expenditures.
24 57% of the \$1.3 billion outlay originated in Ontario.

25 One of the concerns which has
26 been mentioned in some quarters is the substantial
27 year-to-year increase in domestic gas consumption.
28 For example, the volume of gas purchased by Canadians
29 has quadrupled between 1960 and today. This has pre-
30 cipitated some statements about wasteful consumption of

1 this premium fuel. The Canadian Gas Association shares
2 in this concern and we can assure you that our members
3 are vigorously pursuing research and development and
4 conservation programs aimed at the more efficient utili-
5 zation of natural gas.

6 However, it should be pointed
7 out that one of the chief reasons for this substantial
8 increase in gas consumption since western gas became
9 available nationally is simply that Canada's population
10 has enlarged considerably during the same period.
11 There are more people using more energy than ever before,
12 and a sizeable percentage of them are using natural gas.
13 The number of customers has doubled since 1960, and the
14 use of gas has gone up fourfold as these customers use
15 more gas appliances in their homes and factories.

16 Canada is one of the world
17 leaders in pipeline technology, and its 75,000 miles of
18 buried gas-gathering, transmission and distribution
19 lines rank in the forefront for safety, efficiency
20 and reliability.

21 Having mentioned at the outset
22 that the Canadian Gas Association is composed of all
23 sectors of the gas industry, we would like to stress
24 that our members include every major utility company
25 in Canada which collectively has the responsibility of
26 delivering this fuel within over 2,000 communities.
27 Our member companies have an unusually knowledgeable
28 appreciation of the gas requirements in these communities.
29 They have accordingly played a significant role in the
30 formulation of C.G.A.'s position with respect to the

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1 proposals for a Mackenzie Valley natural gas Pipeline.

2 The Association has concluded
3 that there is an urgent need to connect the Mackenzie
4 Delta gas reserves to the market place at the earliest
5 possible moment. The C.G.A. is extremely disturbed by
6 the shortages which have been experienced in certain
7 parts of Canada, particularly in Winnipeg and South-
8 western Ontario. We view with alarm the effects this
9 situation might have on Canada if it is allowed to con-
10 tinue and grow. While it does not support one of the
11 applicants now appearing now before the National
12 Energy Board over the other, the Canadian Gas Association
13 strongly urges the building of a pipeline to bring
14 natural gas from the Mackenzie Delta area to the
15 Canadian markets as economically and speedily as possible.

16 Having said that, Mr. Commis-
17 sioner, we fully recognize the need for responsible
18 development of these northern resources -- development
19 which will serve the people of northern regions in
20 addition to those of us who already rely on supplies
21 of natural gas. The interests of development as it
22 applies to the people and environment of Northern Canada
23 and the interests of those of us who would use the
24 energy for which the pipeline is designed, are not
25 mutually exclusive. There is a great deal of inter-
26 dependence as you have stated in the past, sir.

27 The Canadian gas Association
28 supports the building of a pipeline to bring natural
29 gas from the Mackenzie Delta to market. We believe that
30 with the co-operation of industry, government and
concerned groups and organizations, the needs and

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aspirations of all Canadians can be meaningfully met by this undertaking.

THE COMMISSIONER: Thank you, Mr. Dalton.

(SUBMISSION BY CANADIAN GAS ASSOCIATION -
W.H. DALTON - MARKED EXHIBIT C-441)

(WITNESS ASIDE)

MR. WADDELL: Next, sir, is Mr. Norman Zlotkin, who appears on behalf of the Law Union of Ontario, the Native Studies Collective, the Anti-Reed Group, and the Group to Arrest/Dryden/Minimata Disease.

NORMAN ZLOTKIN, sworn:

THE WITNESS: Mr. Commissioner, ladies and gentlemen, this submission is being presented on behalf of four organizations: The Law Union of Ontario, the Native Studies Collective, the Anti-Reed Campaign, and the Group to Arrest Dryden-Minamata Disease.

The Law Union of Ontario, a coalition of progressive lawyers, law students, and legal workers, believes in the development of a collective strategy for social change and in working as an effective political and social force in the service of the people.

The Native Studies Collective is a group of people who are working together to develop an analysis of the native movement within Canadian society and who work with other organizations and individuals on specific projects in support of native

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1 peoples and their struggles for self-determination
2 and for control of their own lives.

3 The Anti-Reed Campaign was
4 formed by a group of individuals who are concerned about
5 the destruction caused by the activities of the Reed
6 Paper Company. Not only has Reed dumped hundreds of
7 tons of mercury into the rivers of the north, but also
8 it is planning to build the largest forestry complex
9 in Ontario, a project which threatens permanent damage
10 to thousands of square miles of northern forest -- the
11 home of native peoples and the wildlife they depend on.

12 The Group to Arrest Dryden-
13 Minamata Disease was a co-sponsor and major organizer
14 of the visit of the Japanese victims of mercury poison-
15 ing to Canada in September, 1975. It is currently
16 organizing a symposium at Habitat Forum in Vancouver on
17 the effects of mercury in Canada.

18 I myself am a lawyer working
19 with native people and native organizations in Northern
20 Ontario, including the Grand Council Treaty No. 9,
21 (which shall be making a submission in Ottawa) and the
22 White Dog and Grassy Narrows /^{Band}Councils.

23 Mr. Commissioner, the first
24 part of the Mackenzie Valley Pipeline Inquiry's mandate
25 is,

26 "to consider the social, environmental and
27 economic impact regionally of the construction,
28 operation and subsequent abandonment of the
29 proposed natural gas pipeline in the Yukon
30 and the Northwest Territories."

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1 In predicting the impact of the proposed pipeline,
2 it is instructed to study the effects of similar devel-
3 opments in other regions of Canada and the rest of the
4 world. Mr. Commissioner, as you have crossed the
5 country, you have heard many submissions describing
6 the effects of development imposed on native people.
7 As I work primarily with native people in Northern
8 Ontario, I will restrict my comments to that region.

9 Like the Northwest Territories,
10 Northern Ontario is an area of which little is known in
11 the south. When you say you are going up north, people
12 think of Muskoka or Haliburton; some even think of
13 Sudbury or Thunder Bay. But people do not think of Big
14 Trout Lake or Sandy Lake or Fort Albany or Ogoki, and
15 people do not think of the Ojibway and Cree people in
16 Northern Ontario.

17 There are many similarities
18 between Northern Ontario and the Northwest Territories.
19 By "Northern Ontario" I mean that area north of the
20 northern C.N.R. line, most of which lies within the
21 Treaty 9 area. Both cover huge expanses of Canada;
22 Northern Ontario covers 200,000 square miles. Both the
23 Northwest Territories and Northern Ontario contain many
24 native communities which are only accessible by air.
25 There are 30 such native communities in Northern Ontario.
26 In both regions, native people constitute the majority
27 of the population, and in both, English is not spoken
28 by the majority of that population, nor is English the
29 working language of the people.

30 Just as the Northwest Territories

1 may be seen as a colony of Canada with a colonial form
2 of government, Northern Ontario may be seen as a colony
3 of Southern Ontario with a form of governmental control
4 which is colonial in many aspects. The Northwest
5 Territories is governed by the central government in
6 Ottawa, thousands of miles away. Decisions are made by
7 colonial administrators of the Department of Indian
8 Affairs & Northern Development, who have never been
9 north of the Gatineau, and who dance to the tune of
10 multinational executives with whom they rub elbows in
11 the bars of the Chateau Laurier and the Skyline Hotel.
12 The elected Council of the Northwest Territories is
13 only an advisory body to the Commissioner (the Canadian
14 word for "colonial governor") of the Territories. All
15 land use planning, exploration permits, oil and gas
16 leases and other such licences to exploit the natural
17 resources are granted from Ottawa. There is very little
18 local decision-making.

19 The same may be said for Northern
20 Ontario, which is governed from Toronto, also over
21 1,000 miles away. Instead of the Department of Indian
22 Affairs & Northern Development, we have the Ministry of
23 Natural Resources, the Ministry which controls land and
24 resource development in Northern Ontario. When the
25 multinational corporations of the pulp and paper and
26 mining industries want licences to exploit the resources
27 of the land, they do not need the permission of the local
28 people, who are the native people, but they obtain the
29 consent of the colonial-like bureaucrats of the Ministry
30 of Natural Resources in Toronto. Just as in the

1 Territories, Northern Ontario is governed to the
2 benefit of Southern interests.

3 Development for the benefit
4 of non-native interests can have a disastrous effect on
5 native people, even if that development appears to take
6 place some distance away from their communities. Now
7 the experience of White Dog and Grassy Narrows, two
8 reserves north of Kenora, graphically illustrates the
9 destructive effect of industrial expansion on native
10 economies.

11 White Dog is a community of
12 600, to which sportsmen once travelled from across
13 North America. Grassy Narrows, north-east of White Dog,
14 has a population of about 500. It is scattered across
15 an area where many streams and channels converge, where
16 fish and game could formerly be found in abundance.

17 20 miles north of White Dog
18 lies One Man Lake Reserve. The people who once lived
19 there are now at White Dog. Today One Man Lake is
20 populated by one old man, who is joined by a couple of
21 friends from time to time. Most of the area which was
22 once reserve land is now under water, and all that
23 remains of the reserve are three tiny islands and a
24 corner of the river shoreline.

25 Until 1958, One Man Lake was
26 a healthy community that was accessible only by boat
27 or plane, and had few white visitors. 16 families
28 lived there in the traditional way -- rice harvesting,
29 trapping and fishing were the main sources of cash
30 income. The land was rich and shortages were rare.

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Most of the families had large gardens. Every family had at least one boat for commercial fishing, as well as all the necessary canoes, tools and equipment for hunting, trapping, fishing and harvesting wild rice. There were no serious social problems and no need for welfare.

In the spring of 1959 and almost without warning, the waters around the One Man Lake settlement began to rise, and within a matter of days, nearly everything was submerged. Ontario Hydro had closed a new dam up downstream. The people lost almost everything. They made their way to White Dog and attempted to settle there, but the White Dog economy could not support many additional people. After the flooding the people discovered their old means of livelihood had been destroyed. The rice beds and trapping areas were submerged and it was impossible to fish commercially because the lakes were full of debris. This band lost its land and its livelihood, so that the industries of Kenora could have cheap hydro power. The effect of the hydro project also extended up-river to the Grassy Narrows Reserve. There, too, the commercial fishery and the rice and fur crops were flooded out. The damage is permanent. The changed water levels and the natural fluctuations created by the power dam will not allow creation of new rice beds or the re-establishment of the beaver and muskrat, whose houses are built at water level.

The economy of this reserve was heavily damaged by Ontario Hydro. But ironically it was

1 not until 1975 that electricity was made available to
2 Grassy Narrows, and even then it was expensive and
3 difficult to obtain.

4 Even if the debris is ever
5 flushed out of the system, commercial fishing cannot
6 be re-established. The waters are poisoned with mercury
7 pollution and the fish have been declared unfit for
8 human consumption. Grassy Narrows and White Dog are
9 the two native communities which have been most affected
10 by the mercury pollution which contaminates the entire
11 English River-Winnipeg River systems, and probably
12 extends much further. Fish has always been an important
13 food source for these people and despite warnings, some
14 native people still eat the fish. When people have
15 barely enough to live on, they cannot eliminate the
16 chief available source of protein from their diet.

17 Mercury pollution has also
18 resulted in the loss of over 100 jobs for the people
19 of White Dog and Grassy Narrows. These people who had
20 been working as guides at tourist camps, lost their
21 jobs when the camps closed because of mercury in the
22 fish. The 25 Indians still working at camps in the
23 river system risk contracting mercury poisoning or
24 Minamata disease, for they are forced to eat fish with
25 the American tourists every day or lose their jobs.

26 At the White Dog Reserve,
27 annual welfare payments went from \$57,000 in 1959 to
28 almost triple that amount in 1974. At Grassy Narrows,
29 payments went from \$29,000 in 1969 to \$122,000 in 1973.
30 Unemployment is running over 80%. Furthermore, Minamata

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1 disease or methyl-mercury poisoning, has begun to
2 affect the people of White Dog and Grassy Narrows.

3 Mercury poisoning caused by
4 industrial pollution of the environment, is an intoxi-
5 cation of the central nervous system, also affecting the
6 other body organs and systems. As nerve cells cannot
7 regenerate, there is no cure. The effects on the body
8 vary according to the degree of contamination. At
9 Grassy Narrows and White Dog, symptoms of chronic
10 type Minamata disease are being found. This causes a
11 slow, malingering disability and early death, and is
12 usually associated with some intake of mercury over a
13 long period of time. People will show some or all of
14 the following symptoms, with varying severity:
15 Sensory disturbances, constriction of the visual field,
16 loss of motor co-ordination, and auditory and speech
17 disturbances. If pregnant women eat poisoned fish, the
18 child is poisoned before birth and in extreme cases
19 may have symptoms similar to that of cerebral palsy with
20 severe retardation, but in mild cases show only slight
21 retardation.

22 In 1962 the Dryden Chemical
23 Company, now owned by Reed Paper Limited, began using
24 the mercury cell process in its plant at Dryden, 50
25 miles upstream from Grassy Narrows. It is estimated
26 that 20 pounds of mercury were dumped into the Wabigoon
27 River each day for an 8-year period from 1962 to 1970,
28 and lesser amounts have been done between 1970 to 1975.
29 Although the Provincial Government finally discovered
30 the dangers from Reed's high mercury discharge, this

N. Zlotkin

1 information was withheld from the public and from the
2 Indian people most seriously affected thereby, until
3 the following year.

4 To date there is no known
5 way to safely remove the mercury from the sediments of
6 the Wabigoon River, without causing greater problems by
7 stirring up the poison. If left alone, it has been
8 estimated that it may take between 70 and 100 years
9 for the mercury levels in the fish to return to normal.

10 The people of White Dog and
11 Grassy Narrows have demanded that action be taken to
12 remedy their situation. They have demanded that the
13 river systems be closed to all fishing, including
14 sport fishing and fishing for food. They have demanded
15 that the Governments of Ontario and Canada provide
16 compensation for the destruction of community life,
17 the loss of livelihood and damage to health caused by
18 the dumping of mercury. They have demanded that the
19 Provincial Government take legal action to gain compen-
20 sation from Reed Paper, and they have demanded compen-
21 sation directly from Reed itself.

22 Yet neither the Provincial
23 Government nor the Federal Government nor Reed Paper
24 have shown any inclination to meet these demands. The
25 voices of Grassy Narrows and White Dog are not usually
26 heard at the far-away decision-making centres of
27 Toronto and Ottawa. Reed will not pay compensation
28 unless ordered to do so by a Court or by legislation;
29 neither is likely in the near future. Reed is British-
30 owned and not interested in the well-being of Indian

1 communities in the Canadian north.

2 Industry and industrial pollu-
3 tion will also follow the pipeline to the Northwest
4 Territories. Already there are signs of arsenic, cad-
5 mium and mercury problems from the mining developments
6 near Yellowknife.

7 The fact that the pipeline,
8 or an industry serving the pipeline, is not directly
9 adjacent to a native community does not guarantee that
10 the community will be safe from the adverse effects of
11 pipeline development. The Reed Paper Plant at Dryden
12 is 50 miles upstream from Grassy Narrows and even
13 further away from White Dog. Yet the Town of Dryden
14 flourishes because of the activities of Reed Paper,
15 while the two reserves face the destruction of both
16 their economic and community life from an invisible
17 poison dumped 50 miles away.

18 Industrial development in the
19 Northwest Territories should not occur unless the
20 native peoples, the majority of the population, choose
21 to take the risks that must follow.

22 Only if the Dene and the
23 Inuit control their land can they be free to make such
24 decisions. If control of the north continues to remain
25 in Ottawa, and if decisions continue to be made in the
26 interests of the multinational corporations that seek
27 only to exploit the natural resources without concern
28 for the social effects of their activities, then it
29 appears inevitable that the tragedy of White Dog and
30 Grassy Narrows will be repeated in some form in the

1 Northwest Territories.

2 It is not sufficient to say
3 that there must be no pipeline before the land claims
4 are settled. We take the position that the native
5 peoples must control their land and their destiny. Only
6 if and when the native peoples decide that the pipeline
7 is to their benefit, should such a project be allowed
8 to proceed. The people and governments of Canada must
9 recognize the rights of the Dene nation as stated in
10 its historic manifesto of 1975.

11 "Our plea to the world,"
12 and I'm quoting part of the manifesto,

13 "Our plea to the world is to help us in our
14 struggle to find a place in the world community
15 where we can exercise our right to self-determin-
16 ation as a distinct people and as a nation.
17 What we seek then is independence and self-
18 determination within the country of Canada.
19 This is what we mean when we call for a just
20 land settlement for the Dene nation."

21 "The Dene find themselves as part of a country.
22 That country is Canada. But the Government of
23 Canada is not the government of the Dene. The
24 Government of the Northwest Territories is not
25 the government of the Dene. These governments
26 were not the choice of the Dene. They were imposed
27 upon the Dene.

28 What we, the Dene, are struggling for is the
29 recognition of the Dene nation by the govern-
30 ments and peoples of the world."

N. Zlotkin
J.R. Meakes

Thank you, Mr. Commissioner.

(SUBMISSION OF LAW UNION OF ONTARIO ET AL -

N. ZLOTKIN - MARKED EXHIBIT C-442)

(WITNESS ASIDE)

MR. WADDELL: The next brief, sir, is from Mr. J.A. Meakes of the Ontario Chamber of Commerce.

J.R. MEAKES, sworn:

THE WITNESS: Mr. Commissioner, the Ontario Chamber of Commerce is an autonomous federation of over 180 community-based Boards of Trade and Chambers of Commerce located throughout the Province of Ontario. Individual membership of these organizations, numbers in excess of 46,000 persons involved in the total spectrum of the provincial business community, from sole proprietorships to multinational corporations.

In addition to the above, over 1,200 Ontario-headquartered corporations are fee-paying but non-voting members of the Ontario Chamber of Commerce in their own right.

This unique blend of both community and corporate thinking provides the basis of the following submission, and is represented throughout the views expressed herein.

The submission, although it is a distillation of thought, is made therefore, Mr. Commissioner, fully mindful of the lay person's concerns in the public debate regarding the proposed Mackenzie Valley Pipeline.

J.R. Meakes

1 We refer first to the economic
2 import of Ontario. Canada is basically a trading
3 nation, and within its confederation, Ontario is no less
4 a trading entity exchanging goods and services with
5 other parts of Canada, as well as with lands beyond
6 our national borders. In this connection, sir,
7 reference to "Ontario Statistics 1975" published by the
8 Provincial Ministry of Treasury, Economics & Inter-
9 governmental Affairs, indicates that Ontario presently
10 is responsible for approximately 48% of all Canada's
11 commodity production, while exporting over one-third
12 of the nation's total exports to our principal
13 trading areas. This province therefore containing 36.1%
14 of the total Canadian population, is ever-conscious of
15 both national and international trade. Such trade
16 clearly requires transportation systems, and their
17 essential role is very evident.

18 In serving as spokesman for
19 this vast provincial community, the Ontario Chamber
20 is deeply sensitive to not only the economic but also
21 the social, well-being of Ontario, the north, and all
22 of Canada. A constant and assured supply of energy is,
23 in our belief, essential to these matters.

24 I direct your attention to
25 native rights. Your Inquiry, sir, has dealt at
26 length during these hearings with the topic of native
27 land claims, and we share with numerous Canadians
28 the requirement for an early and equitable settlement
29 of justified claims of the affected native groups.

30 We as responsible citizens,

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1 support the desires of the native peoples, and the
2 obligations of the government to ensure each member of
3 society fair treatment and an equal role. We recognize
4 in addition that the social and economic well-being of
5 our nation requires in the near future development
6 of additional supplies of domestic energy.

7 Your efforts therefore, sir,
8 to deal effectively with both of these difficult and
9 important issues, will no doubt be supported in the
10 main by the people of Canada.

11 In a recent publication of your
12 Commission you state that indications of the nature and
13 extent of land claims will enable the Inquiry to be,
14 in your words, sir:

15 "in a position to indicate to the Minister
16 (of Indian Affairs & Northern Development,
17 the Honourable Judd Buchanan) what measures
18 ought to be taken to ensure that the native
19 peoples, in their negotiations with the govern-
20 ment, do not find themselves at any disadvantage
21 owing to the building of the pipeline, and
22 looking to the consummation of negotiations,
23 what measures ought to be taken to ensure that
24 whatever the extent of native interest that may
25 ultimately be recognized by any settlement, it
26 will not be diminished by the construction of the
27 pipeline in the meantime."

28 In your pursuit of this
29 objective, sir, you are assured of the support of the
30 Ontario Chamber of Commerce and we trust that all

parties concerned will deal with this matter in the spirit intended.

Present forecasts indicate that even if Canadians strenuously practice conservation of energy in every form, domestic supply presently available will be inadequate in the early 1980s.

Economically, the national annual deficit on current account, that is trade involving all goods and services, has been approximately \$750 millions in the 20 years prior to 1974. In the year 1975, Canada's current account deficit reached an all-time high of \$5.5 billions. It now appears that by the late 1980s the deficit on oil alone may reach some \$6 billions.

The current negative trade balance that Ontario is experiencing is having significant effects on the province's development. These effects will be gravely aggravated by the compounding petroleum deficit, and the relationship between economic

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1 and
2 /social difficulties is well recognized.

3 We touch on environmental
4 impact. This Inquiry is concerned deeply with the
5 possible environmental impact resulting from the
6 development of the pipeline project.

7 The Ontario Chamber of Commerce
8 understands that these aspects have been studied exten-
9 sively and in great detail by the Federal Government
10 and the companies concerned. Further, we are advised
11 that these important deliberations have resulted in
12 identification and solution of many major environmental
13 problems, and that co-operative efforts towards solu-
14 tion of remaining problems need not further delay
15 commencement of construction.

16 In summary and by way of
17 conclusion, sir, in this brief submission we have
18 attempted to touch on a number of areas of specific
19 concern relative to the development of the proposed
20 Mackenzie Valley Pipeline.

21 Additionally, we feel obliged
22 to stress that should this project not proceed in the
23 most expeditious manner, there are a myriad of further
24 negative implications to this province and to all of
25 Canada.

Among these are:

26 . the obvious decline in economic and employment
27 opportunities in the north;

28 . the negative impact on the economic well-being
29 of Southern Canada resulting from the need to import
30 energy supplies at future world prices, thus removing
present economic advantages in domestic energy prices;

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1 . the nullification of one of the few competitive
2 advantages currently available to Canada's manufacturing
3 sector;

4 . the decline on related revenue flow to the federal
5 coffers which will decrease the ability of the govern-
6 ment to provide appropriate assistance to northern
7 peoples and communities;

8 . and finally, for Ontario to be substantially
9 dependent on imported oil is fraught with political
10 complications.

11 Therefore, Mr. Commissioner,
12 in the light of these matters and those other consider-
13 ations outlined, we believe that the Mackenzie Valley
14 Pipeline should proceed.

15 The feasible alternatives,
16 nuclear energy, the development of the Tar Sands,
17 the development of coal, as prime energy sources,
18 have factors of time, cost and environmental concerns
19 against them.

20 So in conclusion, may we
21 submit that:

22 1. Immediate and rapid development of the Mackenzie
23 Valley Pipeline project is urgently required to
24 ensure maximum opportunity of obtention of seriously
25 needed supplies of natural gas to this province by
26 the early to mid 1980s.

27 2. This pipeline can be constructed while giving due
28 consideration to the legitimate concerns of our northern
29 citizens and their chosen environment.

30 3. The social, economic, environmental and security

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1 aspects of the national interest demand that all
2 Canadians ensure the viability of this project with
3 the minimum of delay.

4 The Ontario Chamber of
5 Commerce and its community and corporate membership
6 thank you for the opportunity you have afforded to
7 this presentation, and commend you, sir, for your
8 dedicated efforts in this vital matter of national
9 concern.

Thank you.

10 (SUBMISSION OF ONTARIO CHAMBER OF COMMERCE -
11 J.R. MEAKES - MARKED EXHIBIT C-443)

12 (WITNESS ASIDE)

13 MR. WADDELL: Mr. Commissioner,
14 I wonder if we could break for coffee now and take
15 a short -- I'd underline "short" coffee break. We
16 have a number of briefs outside.

17 THE COMMISSIONER: All right,
18 we'll adjourn for coffee.

19 (PROCEEDINGS ADJOURNED FOR A FEW MINUTES)
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29
30

R. G. Caughey

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: Well ladies gentlemen, we'll come to order then and Mr. Waddell can advise us who is to present the next brief.

MR. WADDELL: Yes Mr. Commissioner, the next brief will be presented Mr. Glen Caughey who is the vice-president of Union Gas, Chatham. Mr. Caughey?

R. GLEN CAUGHEY, sworn:

THE WITNESS: Good morning Mr. Commissioner, ladies and gentlemen. It is a pleasure to appear before you, sir, and I am representing Union Gas Limited.

Union Gas Limited is one of the 15 member consortium entitled "Canadian Arctic Gas Study Limited" and to date this study group has spent more than \$100 million on various studies and materials associated with the proposed Mackenzie Valley Pipeline. Union's share of these expenditures to March 31, 1976 amounted to some \$4.7 million.

Union recognizes and acknowledges the importance of this Inquiry and supports the consideration of northern and native interests. As evidence of this Union has supported expenditures by Canadian Arctic Gas Study Limited of almost \$20 million for the study of environmental matters and socio-economic factors related to the project.

Union currently believes that the Mackenzie Valley Pipeline project as proposed by Canadian Arctic Gas Study Limited offers

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the most viable, economic and timely method of supplying much needed additional energy input to Canada, Canadian and U.S. markets.

Union Gas Limited is a fully integrated natural gas company engaged in production, purchase, storage, gathering, transmission and distribution activities. In addition, we sell and rent gas appliances and provide equipment service. Our service territory lies within southwestern Ontario, extending from Oakville on the east to Windsor on the west and from Lake Erie in the south to Owen Sound on the north. We serve more than 400,000 customers. However, the population of our service area is some 2½ million people, most of whom are affected directly or indirectly by our ability to provide natural gas service.

During the fiscal year ended March 31, 1976, we made the following sales by category: To residential customers of which we have about 361,000 and of course there is more than that number of people involved as there are between 2½ to three people per household, we sold about 46 billion cubic feet for an aggregate value of some \$83 million. In our area we some 39,000 commercial establishments and of course these people employ many more than that and serve many times that number. To this category we've sold some 39 billion cubic feet for an aggregate value of \$57 million.

Industrial accounts amounted to some 4,300 and once again, the people affected

1 through employment and product availability are many
2 times this number. Many hundreds of times this
3 number. The volumes sold amount to some 142 billion
4 cubic feet for an aggregate value of some \$157 million.

5 In total, we've served
6 about 404,500 customers during the year, sold an
7 aggregate volume of some 234 billion cubic feet with
8 a value of some \$304 million. The purpose in mention-
9 ing this, sir, is to show that there is a great deal
10 of economic activity associated with energy and
11 particularly natural gas within our area. So Canadians
12 are affected by this source.

13 Most of Union's natural gas
14 is sold directly to/end users. However, we also wholesale
15 gas to other distributors for resale and store and
16 transmit gas for TransCanada Pipelines Limited, the
17 Consumer's Gas Company, North Sand Energy Resources
18 Limited, among others. To demonstrate the growth and
19 extent of our business and the urgency which we attach
20 to early delivery of Mackenzie Delta- Beaufort Sea
21 supplies, we have enclosed herewith a copy of our
22 1975 Annual Report, a transcript of our submission to
23 the House of Commons Standing Committee, a natural
24 resources and public works, an energy study which we
25 conducted in 1975 and a more recent study projecting
26 energy requirements to the year 2000. This material,
27 sir, has been left the counsel and while it is fairly
28 voluminous, I hope you will at least glance through and
29 have a look at some of the graphs and charts. They are
30 very interesting.

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1 We will also forward to you
2 a copy of our Annual Report for the year ending March
3 31, 1976 later this week when it is available from
4 the printers. From this material and the graph
5 appended , Schedule A, you will be able to see the
6 importance to south-western Ontario of the early
7 availability of additional supplies of natural gas
8 from the Mackenzie Delta and ultimately from the Arctic
9 Islands as well.

10 Even if these frontier supply
11 sources are connected in a timely and expeditious
12 manner, serious shortfalls between supply and potential
13 requirements are going to occur. The curve also
14 indicates the seriousness and magnitude of the shortfall
15 even assuming a one percent per year compounding
16 effect due to reduction in demand through conservation
17 and as others have said sir, we find it very difficult
18 to put an accurate handle on just how far conservation
19 will go. We know that it's essential. We know that
20 both our Federal Government and our Government in
21 Ontario are practising what they preach. I noticed
22 on the 401 Highway for instance last night federal
23 vehicles travelling at 55 miles an hour. I was going
24 faster I might add.

25 Obviously, gas from frontier
26 areas is vital to the future success of Union.

27 THE COMMISSIONER: There is
28 no 55 speed limit here.

29 A No but in order to
30 conserve energy I believe there has been a federal

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advice to some of the Army vehicles for instance and others.

Q Oh yes, I understand that but you haven't in Ontario adopted a 55 --

A No, it's 60, sir.

Obviously then, gas from the frontier areas is vital to the future success of Union, but more to the point and purpose of this hearing, the magnitude and timing of deliveries of Mackenzie Delta gas will have a significant bearing on the future well-being of hundreds of thousands of families, businesses and industries throughout southwestern Ontario and across Canada.

Through the years, these Canadians have come to depend on adequate long-term supplies of natural gas. Thus, it is absolutely essential that the northern pipeline and other related facilities be approved and constructed as expeditiously as possible. If the line is not built in a timely fashion, then homes, industry and commerce in the south will become even more dependent and reliant on offshore energy sources with resultant serious increases in Canada's balance of payment deficit and a possible lowering of our standard of living.

We very much appreciate, sir, the fact that although your mandate is to review the impact of any proposed pipeline through the Northwest Territories and the Yukon and to protect the interests of our native peoples, you have scheduled hearings all across southern Canada. We interpret this as an

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1 indication that you intend to give consideration to the
2 position of the consumers, employers and taxpayers
3 in this most important undertaking. We commend you
4 for this as the consumer, industry and general
5 public have not received much attention up until now
6 despite their vital role as the ultimate source of the
7 funds needed to build the line and all the money
8 needed to pay for the Canadian frontier energy which
9 will ultimately flow through and from it.

10 In conclusion sir, I would
11 like to say that this presentation is not intended to
12 reduce or distract from the native land claims or
13 environmental issues which we know you will deal with
14 adequately and fairly in your report to our Federal
15 Government.

16 This Inquiry as I said last
17 night sets a bench mark for democratic involvement
18 and participation by Canadians with diverse views
19 interests and opinions. The students of Canadian
20 history in the future will be the ultimate judges
21 of our success in attempting to grow together as a
22 unified nation.

23 Thank you sir.

24 THE COMMISSIONER: Thank you
25 sir. Thank you very much.

26 (SUBMISSION BY UNION GAS - R.G. CAUGHEY -
27 MARKED EXHIBIT C-444) (WITNESS ASIDE)

28 MR. WADDELL: Mr. Commissioner,
29 I call upon Miss Shelley Acheson of the Ontario
30 Federation of Labor.

MISS SHELLEY ACHESON, sworn;

Miss S. Acheson

1 THE WITNESS: Mr. Commissioner,
2 it is ^{with} great pleasure and great hope that the
3 Ontario Federation of Labor presents this brief to
4 your Inquiry. We have watched the proceedings of the
5 Inquiry with interest, have admired your methods and
6 patience and understanding throughout. At the same
7 time, we have listened with mounting trepidation
8 to the words of Indian Affairs Minister Judd Buchanan
9 in regard to native land claims and the recent decision
10 of the Cabinet to allow offshore drilling in the
11 Beaufort Sea.

12 We are concerned that the
13 drilling decision represents a continuation of the
14 commitment of the government to development and energy
15 retrieval in the north in the absence of a national
16 energy policy, full environmental study or concern
17 for the irreversible impact on the native people.
18 We are fearful that the attitude of Mr. Buchanan
19 represents the continuation of the government's
20 colonial mentality toward native people which has
21 effectively kept them economically and politically
22 powerless.

23 The case of the native people
24 is a unique and exceptional one. Until very recently,
25 the solving of their grievances has been hampered
26 by serious weaknesses in communication, cultural
27 misunderstanding and a deaf/^{ear} approach on the part
28 of governments. It is a very sad commentary and a
29 very incriminating thread that runs throughout
30 Canadian history that the native people have been so

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shabbily treated.

The range of solutions to the Indian problem has been vast, from forcing them to assimilate, live in cities and become white men to total neglect and indifference. In between these extremes have been hand-outs of welfare, education programs, housing programs, all under the paternalistic hand of the Federal Government, all conscious or unconscious attempts to make them like us. Nobody was listening when they said that wasn't what they wanted for the native people were not aggressive and had no power, and /nobody cared about the frozen and forbidding land they occupied which was the basis of their culture, their lifestyle and their sustenance.

The discovery of oil and gas in the north has transformed that land into dollar signs. Now it has value in the eyes of society in a totally different way than it has had for the native people for centuries. This basic misunderstanding or ignorance of what the land means to northern inhabitants is the crux of the pipeline debate. It is so very, very rare that an opportunity arises such as this one to reverse the attitudes of the past and to ensure that our historical relationship with the native peoples is set aright.

Could we continue to call our country a democracy if we did any less? It is democracy which entitles each of us to participate in the decision-making processes, democracy which brings dignity to us all. It is a share in this

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1 democracy and dignity the native people have been
2 denied. This is what the Dene Declaration is all
3 about and if that is gobbledygook, then the Minister
4 of Indian Affairs and Northern Development should not
5 have the privilege of serving the Canadian people who
6 uphold these rights.

7 It is very clear to us that
8 the question of aboriginal rights and control of the
9 land must be settled as a precondition to any
10 development in the north. The legal question of who
11 controls the land over which any transportation system
12 or energy corridor must pass must be determined
13 first. Canada has never yet come to any final
14 determination on aboriginal rights, yet the native
15 people have lived on and with that land for centuries.
16 Not to listen to them now, now when there is such a
17 unique opportunity to be fair and just to give the
18 native people a chance to participate seriously in
19 the economic development of the north would be an
20 intolerable abrogation of the legal and moral duty
21 of the Federal Government. We are amazed at the
22 patience of the native peoples of the north.

23 We are particularly amazed
24 when we read the following words from the Earl of
25 Elgin, Governor General of Upper Canada in 1854.

26 "The time seems to have arrived when the machinery
27 so elaborately devised with the object of protec-
28 tion may be modified in some details. The original
29 intentions never can have been to retain this
30 people in a state of permanent minority and always

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1 north but rather as a people with a vested interest
2 in the land who have knowledge and manpower and
3 skill to add to the planning of the future of the
4 north which so immediately and drastically affects
5 their lives. This is why it is so important that
6 their rights to the land be finalized first, to ensure
7 that the native people have a place and a say in
8 the decision-making process which may mean their
9 survival.

10 The Ontario Federation of
11 Labor represents 800,000 unionists in Ontario and
12 our affiliated unions have developed and supported
13 OFL policy in these matters consistently. At the
14 annual convention of the OFL last November, a major
15 policy paper on human rights was unanimously passed
16 by the 1,200 delegates present who represented over
17 500 local unions. This policy paper which is attached,
18 advocated immediate just and equitable land settlements
19 with the native peoples of Canada with full cognizance
20 of their aboriginal rights. The importance of this
21 policy to the delegates was evidenced by the number
22 of unionists who spoke to the issue with knowledge and
23 feeling.

24 THE COMMISSIONER: Excuse me,
25 that was at your convention?

26 A Yes, our annual convention
27 last November.

28 In addition, during Northwest
29 Territories Land Settlements Week this past March,
30 many of our unions and labor councils planned or

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1 participated in public forums or meetings, utilized
2 native speakers, and showed their support for the
3 Dene and Inuit positions. Subsequently, resolutions
4 were passed urging settlements of native land claims.
5 The Canadian Labor Congress will also have dealt
6 specifically with the Mackenzie Pipeline issue at
7 its convention last week.

8 We mention this activities,
9 Mr. Justice Berger, because we wish to stress the
10 active and continuing support of the unionists for the
11 position of the native people in the north. As
12 union members, we know what it is like to negotiate,
13 to have deal on situations where the rights and the
14 power are on the other side of the table.

15 The labor movement was born
16 out of the fight against oppression, against any
17 denial of basic human rights and we are here today in
18 continuation of that fight.

19 The OFL is aware that your
20 mandate to ascertain the impact of an energy corridor
21 on the north. However, it is very difficult for us
22 as southerners, as consumers of copious quantities
23 of gas and oil not to discuss the impact of such a
24 corridor on the whole of Canada.

25 The many issues which arise
26 around such a mammoth undertaking will critically affect
27 all Canadians and must be considered. For example,
28 the vast quantities of capital necessary and the
29 implications to the Canadian taxpayer, the extent of
30 foreign ownership of the oil industry and its affect

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1 upon Canada, the possible adverse affects on our
2 balance of payments and value of the dollar, the less
3 than adequate financial returns from oil and gas
4 exports, the extent of oil and gas exports to the
5 detriment of Canadian consumers, the lack of a national
6 energy policy or industrial strategy for Canada, the
7 capital intensive rather than labor intensive nature
8 of resource development. Such concerns are vital to
9 Canada and help to answer the crucial question, "At
10 what cost are we opening up the north?"

11 The OFL does not wish to
12 appear alarmist in these matters but if have become
13 distrustful, cautious and pessimistic, it is because
14 the government's record in the energy field is
15 pitifully bad, strewn with error and misguided policy,
16 and characterized by that apparently Canadian trait
17 which ensures that the interests of Canada always come
18 last. Perusal of federal decisions and documents on
19 energy over the last seven years attest to these
20 remarks.

21 It is important to realize
22 that the original reasons for extracting natural
23 resources from the north were based on false assumptions
24 about our energy supply and needs and that even
25 though a more realistic appraisal of Canadian energy
26 energy needs is available today, that the pipeline
27 is still being advocated in the same manner for the
28 same purposes.

29 The policy was wrong then. It
30 is more wrong now. Participating in a continental

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1 energy policy, straining our proven reserves of gas and
2 oil by long-term contracts with the United States,
3 urging a Mackenzie Valley Pipeline to link Canadian
4 resources to United States markets at cheap prices
5 were and are policies promoted by and for industry.
6 We now have our own energy problems and must re-evaluate.
7 It is not change itself that is disastrous, but the
8 failure to react to it in time.

9 Because of a lack of a nation-
10 al energy policy, we are into a situation of sharing
11 energy shortages with the U.S. We are bound by
12 export contracts which are difficult to escape from
13 without fear of severe retaliation from the U.S.
14 and other sectors. We find ourselves with possible
15 rationing of natural gas, as we continue to supply the
16 U.S. with their energy needs.

17 It is hard to imagine a more
18 inane predicaments when Canada is such a resource
19 rich country.

20 The proponents of the pipeline
21 claim that it will solve these short-term energy problems.
22 We feel it will create more problems than it cures.
23 The pipeline, (or more accurately the corridor) will
24 cost billions, billions which will have to come from
25 private Canadian or American sources. If American,
26 then what would probably be the most ambitious develop-
27 ment venture in Canada would be controlled by foreign
28 interests unconcerned with Canadian priorities for Arctic
29 development.

30 As well, the massive inflow of

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American capital, coupled with other capital intensive projects such as James Bay would create serious upward pressure on a Canadian dollar. As a result, our exports would suffer on the world market and industrial production and jobs in Canada would be lost. If the pipeline was financed in Canada, Canada's industrial potential again would suffer as Canadian capital would be diverted into the corridor project.

It is clear that the primary benefit from building the Mackenzie Pipeline at this time will fall to the international petroleum companies who own almost all leases and exploration rights in the Canadian Arctic mainland and to the U.S. consumers. We consider the Federal Government's policy of rapid exploitation of non-renewable resources to be foolhardy. Such a policy promotes the expansion of foreign ownership in Canada, is based on improvident estimates of the reserves of oil and natural gas and Canada's needs, and ignores the native peoples. It cannot therefore be a policy which serves the national interest. Opening up the north in this way is merely postponing the inevitability of finding other renewable sources of energy.

A further consideration and one intrinsically linked both to the economic impact of an energy corridor and to the impact on the native people is that of the environment. We are by no means expert in this area but our research on these issues have uncovered unanimous agreement from government, native people and industry that the northern environment

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1 is fragile, based on the maintenance of a precarious
2 natural balance and that some damage to this system
3 is inevitable.

4 What is of primary importance
5 to recognize is that because of the elaborate
6 intricate system of checks and balances in the
7 northern environment, any damage will have devastating
8 repercussions. One expert from the energy companies
9 will say there is a thousand to one chance of a
10 serious oil spill. Another will say ten thousand to
11 one. It is a moot point. There is only one Arctic,
12 only one northern ecology. We can only destroy it
13 once and with it the land, the animals, the people,
14 all of which exist interdependently.

15 The company experts deal in
16 statistics, formulas and probabilities. We are not
17 playing economic, social, environmental roulette here.
18 We are dealing with a real place, real people. To know-
19 ingly take chances when peoples' lives and the lives
20 of future generations are hanging in the balance would
21 be criminal.

22 In conclusion, it should be
23 remembered that in Canada, the natural resources are
24 owned by the people, not by the private interests who
25 extract and process them. The energy consortiums
26 which will profit most from early and extensive northern
27 development do not represent the Canadian people.
28 Rather, what would most benefit the Canadian public
29 would be a comprehensive investigation of all the
30 options which would clearly delineate all the social,

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1 environmental and economic costs and benefits for
2 the entire country. This could only be accomplished
3 within the context of a national energy policy that
4 is geared first and foremost to Canadian needs, based
5 on utilizing all our resources with a view to the
6 needs of future generations, conscious of environmental
7 considerations and fitting into a national and
8 provincial industrial strategy that includes a
9 coordination of resources, manpower, investment and
10 planned development. At the same time, we must
11 gradually cut back exports to the United States,
12 develop a strong conservation policy and allocate
13 more capital into research on renewable sources of
14 energy.

15 The OFL believes that there
16 are alternative policies, that there is time. We
17 ask you, Mr. Justice Berger, to stress to the Federal
18 Government that no decision on the development of an
19 energy corridor in the north be made until a full
20 settlement is reached with the native people in the
21 north and until a comprehensive energy policy is
22 formulated which analyzes what sorts of energy should
23 be used, where and when, based on as accurate an
24 assessment as possible of our resource potential
25 and need.

26 There are many choices
27 possible. The choices made will affect all Canadians,
28 native and non-native alike. We urge wisdom and
29 care in the making of these choices.

30 Thank you very much.

1 (SUBMISSION BY ONTARIO FEDERATION OF LABOR - MISS
2 S. ACHESON - MARKED EXHIBIT C-445)

3 (WITNESS ASIDE)

4 MR. WADDELL: Mr. Commissioner,
5 we have three more briefs to hear from this morning.
6 They are short briefs, but I think we wanted to end
7 a little earlier this morning. Perhaps we could end
8 now and we could put these people on first thing this
9 afternoon at two o'clock, if that's convenient to
10 you, sir.

11 THE COMMISSIONER: Well, it
12 sounds like it is. Well, we'll adjourn now and
13 reconvene at two o'clock this afternoon. Thank you.

14 (PROCEEDINGS ADJOURNED TO 2 P.M.)
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(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: Well ladies and gentlemen, I'll call our hearing to order this afternoon.

The Mackenzie Valley Pipeline Inquiry is holding hearings throughout the main centers of southern Canada to enable people who live here in southern Canada to express their views about the proposal to build a Mackenzie Valley Pipeline to bring natural gas from the Arctic to the mid-continent. We've had the advantage already of hearing a number of briefs here in Toronto, and we're looking forward to hearing from more of you this afternoon.

I think that those of you who are here have a pretty good understanding of what the Inquiry is all about. We're to look into the consequences of building a pipeline and establishing an energy corridor in the north, the social, economic and environmental consequences.

The National Energy Board looks into the whole question, how much gas is there up there, how much do we need here in the south? Then the Federal Government, with my report about the impact on the north with the Energy Board's report regarding gas supply and gas requirements before it, the Government of Canada can then make its own judgment on the question.

This Inquiry doesn't decide anything. Our job is to gather the evidence, establish the facts as best we can, to enable the Government of

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Canada to make an informed decision, to make an intelligent judgment on these questions of fundamental national policy.

So, to give you an opportunity of saying what you think about these matters, we are here in Toronto today, and I'll ask Mr. Waddell to let us know who we're about to hear from now.

MR. WADDELL: Yes Mr. Commissioner. Our first brief this afternoon will be from the London Conference of the United Church of Canada given by Reverend Morley Clarke and Reverend Glen Wright.

REVEREND MORLEY CLARKE,
REVEREND GLEN WRIGHT, sworn;

WITNESS CLARKE: Mr. Commissioner, on behalf of the United Church of Canada, London Conference, I want to say how pleased we are to have this opportunity of making our presentation to you this afternoon.

At the annual meeting of the London Conference of the United Church of Canada held at the University of Windsor, May 18 -20, 1976, the attached resolution regarding native land claims and northern development was passed.

Our conference includes the counties of Oxford, Perth, Huron, Middlesex, Flain, Kent, Lambton, Essex together with the District of Algoma. In this area, we have approximately 203,000 persons under pastoral care related to some 397 local churches.

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Nationally our denomination participates in and gives financial support to Project North, an ecumenical organization concerned with native land claims and northern development. We also have our own National Northern Coordinating Committee which works in close conjunction with the Anglican Primate's Committee on the North. The moderator of our church, Dr. Wilbur Howard, has taken initiative in organizing a listening conference involving the National Indian Brotherhood, the Native Council of Canada, the Inuit Tapirisat -- I always stumble over that one -- and several Christian denominations.

Along with a great many aware Canadians, our church has a deep concern that the future development of the Canadian north be based on social justice and responsible stewardship of resources. We respectfully submit the attached resolution with the hope that it may contribute to this end.

Sir, the resolution that we give is a brief statement of which a larger amplification is to be found in the current issue that our church has put out entitled "Land for the North; Native Land Claims" and with your permission sir, I would like to place this on file with our presentation.

THE COMMISSIONER: By all means.

WITNESS WRIGHT: A resolution passed at the London Conference has also been submitted to the Prime Minister and Cabinet by the following people on March 2nd of this year. This is an ecumenical group including the president of the

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1 Canadian Council of Churches. I'll list them. The
2 list is fairly short.

3 This was presented by the
4 Most Reverend G. E. Carter, president of the Canadian
5 Catholic Conference, Dr. D. C. MacDonald, general
6 secretary of the Administrative Council of Presbyterian
7 Church in Canada, Dr. R. Nostbakken, president of the
8 Lutheran Council in Canada, the Right Reverend Wilbur
9 Howard, moderator of the United Church of Canada,
10 The Most Reverend E. W. Scott, primate of the Anglican
11 Church of Canada.

12 This is the resolution that
13 was passed at our London Conference which is really
14 an endorsement of what has already been submitted.

15 "We therefore urge the Federal Government to:

16 A. Introduce a moratorium on major resource
17 development projects in the Northwest Territories
18 for the purpose of providing sufficient time
19 to achieve the following objectives:

- 20 1. A just settlement of native land claims.
- 21 2. Native peoples' programs for regional
22 economic development.
- 23 3. Adequate safeguards to deal with environ-
24 mental problems like oil spills, well blow-
25 outs, etc.
- 26 4. Adequate programs to regulate domestic
27 consumption and export of energy resources.
28 Independent studies now indicate that gas
29 reserves south of the 60th parallel are suffi-
30 cient to make such a moratorium feasible.

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B. Re-examine current policy positions on the extinguishment of aboriginal title in view of the fact that the Nishga, and the Dene and the Inuit of the Northwest Territories are in various ways asking for a formalization of their aboriginal rights. A more creative position might go a long way towards reducing tensions and assuring more constructive negotiations. Following the 1973 split decision in the Supreme Court (Calder versus the Government of B.C.) the Prime Minister stated that the concept of aboriginal title was a valid one and that the political settlements must ensue.

C. Provide assurances that:

1. No approval will be granted for the building of a Mackenzie Valley Pipeline until the Berger Commission has submitted its final report and serious attention has been given to its findings and recommendations.
2. No right of conveyance will be granted to any pipeline company or other resource companies in the Northwest Territories at least until there has been an agreement in principle signed on all native land claims in the Northwest Territories.
3. The proposed Polar Gas pipeline or any other major energy projects will not proceed until a public inquiry similar to that of the Berger Commission hearings is conducted."

That concludes our report .

THE COMMISSIONER: Thank you

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very much gentlemen. Thank you.

(SUBMISSION OF THE LONDON CONFERENCE, UNITED
CHURCH OF CANADA MARKED EXHIBIT C-446)

(WITNESSES ASIDE)

MR. WADDELL: Judge Berger,
our next brief is from Ms. Terry Green of the National
and Provincial Parks Association.

TERRY GREEN, sworn;

THE WITNESS: Mr. Commissioner,
ladies and gentlemen, I am Terry Green, the staff
person of the National and Provincial Parks Association
of Canada and I am appearing before you today on their
behalf.

The Association is a charitable
educational citizen's organization with a membership
of 2,000 and has been in existence since 1963. The
mandate of the group is to promote the benefits and
preserve the values of Canada's national and provincial
parks and public lands.

Over the past 13 years, the
Association has fought to preserve the integrity of
certain parks threatened by development or over-use,
contributed to formulation of policy relating to
parks and land use and participated in the planning of
parks and certain public lands.

In searching for the words
to put across our concerns to you, I could not help
but think of the activities of the past two years,
listening, not only to words but to feelings and to
currents of thought. The way in which you have gone

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about this listening has set some very important precedents in public participation in this country. Public access to information and full disclosure of information sources, provision of a forum for all who are concerned to speak in their own way and in their own language, funding for intervenors and allowance of lead time for preparation of submissions; all of these were insisted upon as part of the Inquiry's broad interpretation of its mandates and as a tribute to your conviction, Justice Berger, that it's got to be done right.

The appointment of the Berger Inquiry was a milestone in Canada and an indication of sincere government concern for the ecological and social effects of a project which will undoubtedly have great impact on future development of the north and the way of life of northern people. The work of the Inquiry has been carried out in the true spirit of just that, Inquiry, and its recommendations, whatever they may be, will a challenge to the government; a government which has recently contradicted its spirit of concern for the north and its people by allowing drilling in the Beaufort Sea without assurance that technology exists to clean up a possible spill.

The Association is represented here today to convey its concern for the north and its basic aim of protecting renewable resources such as wildlife in the north. We are well aware of the previous phases of the Inquiry and of the extensive discussions of the physical environment, living

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environment, human environment and of the engineering and construction problems of pipeline construction. The Association, not surprisingly I think, does not have specific and new information to offer you relating to the potential effect of a pipeline on special areas. What we can offer is this, the conviction that the pipeline proposals should not be considered in isolation, but as one of the various proposals which could have profound effects on the north and its inhabitants.

The influence which the pipeline would have on the area it is routed through and the people in that vicinity is one thing. Its effects on the north as a whole is another, and also a very critical element. Will damage to ecosystems in the delta area subtract significantly from the Arctic resource in its totality? Will there be a loss of habitat or wildlife or features which are not found elsewhere in the north? These are the sort of questions which we wish to pose to the Inquiry.

The Association, as a group mainly composed of southern Canadians, cannot know the land of the north as the natives do. We can only respect their views which have often been expressed to you and add to them our belief that on ecological and social grounds, we would support maintenance of environmental conditions in the Arctic which would provide for continued evolution of a traditional Inuit culture. We can however, and we do, promote conservation programs for the north which will extend the aims of the

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1 National Park Program in the south, preservation
2 of important and representative landscapes. There is
3 no question that the institutional arrangements for
4 reservations of such areas in the north will differ
5 from those in the south.

6 For example, the National
7 Parks Act allows for traditional native hunting and
8 fishing activities in parks. We are in sympathy with
9 this, but are concerned that research and management
10 methods be developed to safeguard the wildlife and the
11 renewable resources in the conservation areas.

12 There is absolutely no
13 question that national parks, I.B.P. areas and
14 conservation areas are needed in the north and on
15 a very large scale. The Arctic is huge, a land and
16 water mass of thousands of square miles containing
17 numerous different environments. Parks Canada Land
18 Classification System suggests that ten or more
19 national parks alone should be established to represent
20 these regions. Many of these reserves would be
21 vast in terms of our southern thinking if the environ-
22 ments were to be properly protected and managed.
23 Thousands of square miles is certainly not unreasonable.

24 The Association strongly
25 supports a comprehensive Arctic renewable resources
26 conservation program, with emphasize on a strong
27 federal role and an extensive system of zoning and
28 conservation areas as well. In southern terms, the
29 need will be for very large national parks or conserva-
30 tion zones as I have said, due to the low carrying

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capacity of much of the Arctic, relative to the south.

The identification of such areas and the development of a zoning and land management system which would center on critical renewable resource areas will require a major resource effort, although the Inuit Tapirisat of Canada has already done some work on the identification of such system through their renewable resources study.

Not only exploration and development activities but also the potential impact of wildlife harvesting techniques and of poorly planned tourism and recreation programs could cause severe problems in the north. It is the concern of this Association that action be taken to ensure that it will be possible to reserve large and representative tracts of land in the north for conservation purposes. This land use option cannot remain open if decisions are made piecemeal regarding development proposals in the north.

We urge you to include in your report recommendations, development of an extensive system of national parks, I.B.P. areas, and other conservation areas in the Arctic. We see the establishment of such areas as genuinely being in the common interests of native peoples and of all Canadians.

Thank you very much.

THE COMMISSIONER: Thank you.

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner,
our next brief is from Mr. Douglas C. Matthews. Mr.

W. Kashton

Matthews?

Well then I call upon Mr. William Kashton of the Communist Party of Canada to give his brief please.

WILLIAM KASHTON, affirmed:

THE WITNESS: Mr. Commissioner, the Communist Party of Canada has given careful consideration to the questions your Commission is called upon to deal with on the basis of its terms of reference.

As we understand it, it is one of determining the effects of a Mackenzie gas pipeline on the native peoples, the environment and the ecology. Underneath these questions, is a more fundamental one, that of the future of the north. This includes the question of energy supplies for Canada in the foreseeable future, questions of ownership and control of these resources, the role the native people should and must play in decisions affecting their rights, their livelihood and their way of life.

It is with this in mind that the Communist Party of Canada advances its views on the pipeline.

1. The north, as has been said more than once, is Canada's last frontier. We need to make sure it does not become Canada's lost frontier by virtue of being taken over lock, stock and barrel by the United State's multinational corporations in the same way they have taken over other parts of the Canadian economy with the

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complicity of Federal and Provincial Governments.

If a similar sellout takes place today, if United State's imperialism through these multinational corporations is allowed to control the energy and natural resources of the north, it will in fact control the whole of the Canadian economy.

The north as we know is rich in oil and gas and it also has tremendous resources of iron ore, copper and other precious minerals. These constitute important reserves for the future and for the development of Canada. To deplete them now, apart from a major question of the rights of the native peoples, problems of ecology and the environment, means to deplete them in the interests of the United State's multinational corporations, in the interests of industry in the United States and not in the interests of Canada.

Canada has other sources of energy at this time which can and should be used for its development and further industrialization. The present reserves of gas and oil can be left in the ground for future use at a time and at a pace that coincides with the best interests of Canada, her people and the peoples of the north.

2. It is this which determines our basic approach to the construction of a Mackenzie gas pipeline at this time. Construction of such a pipeline should be held up until there is assurance of Canadian control and ownership of the pipeline and energy resources and their use for Canadian development. Construction of the

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pipeline at this time would not serve the Canadian interests. It would serve the United States's interests primarily. This is so because its main purpose would be to guarantee the wholesale export of Canadian resources to the United States.

In this sense, the construction of the pipeline by the Canadian people at great cost to themselves would be a form of subsidization of the United States. Alberta would become a corridor like the Panama Canal for the shipment of natural gas and oil to the United States, and all this guaranteed by Canada.

The pretense that Canada could shut the tap later on if it wished to is so much nonsense. We have the experience of the Columbia River sellout and other sellouts to show this will not be the course of development once ownership lies in the hands of the United States's multinational corporations, once the energy is used mainly to satisfy the United States' market and becomes indispensable to the United States, it will mark the end of a Canadian resource and a Canadian asset.

3. What is involved here is not only the construction of a pipeline. The core of the problem is the development of the north and its resources. By whom, for whom and under what conditions. The myth is being spread that building a pipeline constitutes northern development? This is not so. A pipeline may constitute a part of northern development, but this is not basic to northern development.

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The claim is being made that a Mackenzie gas pipeline would have a similar impact on Canada as the building of the TransCanada railway system many years ago. This is manifestly false. The railways sought to unite Canada from the Atlantic to the Pacific. It was part of the concept of a national policy:

"...advanced by the then Prime Minister of Canada John A. MacDonald, the aim of which was to build one market in Canada, help stimulate industrial development and protect it."

This is not the concept of the Mackenzie gas pipeline. Its primary purpose is to serve the United States, not Canada. It will move Alaskan gas to the United States and sell Canadian gas to the United States and at a pace which will deplete this resource and preempt its use for Canadian development.

Its aim is not the national interest but maximum profits for the multinational corporations and their subsidiaries in Canada. The pipeline will not bring wealth to the north, it will siphon it away from the north and leave only ugly scars in its place. No solid economic base has been proposed which will have permanent value to the north and its people.

The north is looked upon as a hinterland, a supplier of raw materials such as gas, oil and minerals, a kind of colony and not an area which ought to be developed in a way which will serve

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the north and its people and at the same time serve the interests of Canada and the people. Where then is the comparison between a national policy which serves to unify Canada and a policy presently proposed which is geared primarily to serve the United States, not Canadian development. There is no comparison and those that try to make it so are guilty of hoodwinking the Canadian people.

4. Northern development cannot be separated from recognition of the justness of the land claims of the native peoples. The native peoples have made it clear in their representations to your Committee and the statements to the press and mass-media generally, that they are not opposed to the development of the north. They want to establish their land claims first. They want to have a say over development of the north. They want to be the beneficiaries of such development, not its victims.

They want to protect their culture, their identity as a people, their fishing and hunting rights. All these are just demands which cannot and must not be ignored. Tokenism here cannot and must not substitute for recognition of these basic rights. What must be established is the recognition by the Federal Government and of Provincial Governments also of the national identity of the native peoples as distinct peoples. The government ward status must be abolished where it exists and full political equality established for the native peoples including the right to decide on all matters pertaining to their distinctive

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development.

The Dene Declaration which Mr. Judd Buchanan so cavalierly rejected must not be ignored by the Canadian people. Mr. Buchanan sees it as a separatist document, when in fact is the expression of a distinct people who, due to historical circumstances, have not yet emerged to full nationhood. The task of the Canadian Government and certainly of all democratic Canadians is to recognize this and draw conclusions from it.

The colonialist mentality towards the native peoples was most crudely expressed by Mr. David Searle, Speaker of the House in the Northwest Territories when he undertook a wholesale attack on them as a people. One is reminded of other Mr. Searles who tell us that:

"Some of my best friends are Inuits".

What is evident from Mr. Searle's proposals is that he is prepared to do almost anything except get off the backs of the native peoples. Mr. Searle is quoted as saying:

"We are a sick, sick society".

How true. Only such a sick society and such a sick person could advance such a sick point of view.

It seems to us that with such an attitude, Mr. Searle ought to retire as Speaker of the House in the Northwest Territories. He is unfit to hold that high office. Unfortunately for the Northwest Territories, there are other rednecks around

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holding similar views. Is Mr. Buchanan so much better when he refuses to face up to the basic rights of the native peoples? The time is all past when the rights of a people can be ignored, sat upon or spat upon.

In our program, The Road to Socialism in Canada a program we adopted in November 27, 1971 we state:

"A socialist Canada will take meaningful measure to compensate the native peoples for the historic injustices perpetrated upon them by the British and French colonizers in Canada and continued under the rule of monopoly capital. Such measures will include full recognition of their national identity and development of their native cultures, full power of decision-making on all questions pertaining to their affairs as native peoples, the rooting out of all vestiges of racism and discrimination, full equality before the law and our society, a massive economic and social program to bring their living, health, housing education standards; training and job opportunities up to acceptable Canadian standards.

The Indian and Inuit peoples will enjoy regional self-government and full rights to their language and culture."

We are convinced that only on such a basis can the national rights of the natives peoples, their identity, language and culture be guaranteed within the framework of a true north, strong and free.

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We call upon the other political parties in Canada to end their evasiveness and ambiguity and clearly enunciate their positions with respect to the basic rights of the native peoples.

The core of the problem is the necessity of a treaty with the native peoples of the Northwest Territories which clearly defines the question of development of the north, the role of the native peoples in decision-making and all of the questions pertaining thereto.

The Federal Government which has complete control over northern development from the Yukon to the Northwest Territories must first of all come to a principle agreement with the northern and native peoples with respect to their national rights and land claims, as well as with due regard to ecology and environmental control, before in any way proceeding with the Mackenzie gas pipeline, and a railway or other developments of a like kind.

Such a principle agreement should include the recognition of the necessity of preferential treatment of the native peoples. Indeed, it is only through preferential treatment that the native peoples can be assured of equal treatment. Any other approach would be discriminatory and downright harmful to the immediate and long-term interests of the native peoples. Such preferential treatment should find its reflection in housing, education, medical services and in training programs. Such treatment must go alongside the guarantee of their

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rights as a people with respect to language and culture including their right to have an effective voice on all questions having to do with northern development and the protection of their vital interests.

Moreover, nothing done by way of development must interfere with their hunting and fishing grounds. What must be established in principle as well, is that the native peoples receive priority in jobs and the right to highly skilled jobs based on adequate training. As can be seen the debate around the Mackenzie gas pipeline raises questions much larger than the pipeline.

The underlying issue involved is whether Canada shall continue the role of supplier and reserve our raw materials and energy for the United States with its attendant regional inequalities under monopoly control, or strike out in a direction assuring Canadian development and controls through public ownership.

The challenge before Canada is to reverse the trend of building up the industries of the United States with Canadian resources and embarking instead on a course which could transform Canada into a great, independent industrial state pursuing an independent foreign policy and developing extensive and mutually satisfactory two-way trade with the socialist and newly developing countries including the countries of Latin America.

Canada needs an all inclusive energy policy based on an inventory of energy resources.

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Such an inventory is essential before questions of export of gas and oil can be considered. Such an inventory is absolutely essential now when statements are made about an alleged shortage of energy. The National Energy Board blowshot and cold about shortages whenever it is deemed necessary to carry out certain objectives. Today we are informed of a shortage of energy so as to compel agreement by Canadians that prices should be raised with the benefits accruing to the multinational corporations in the way of additional profits.

Is there a shortage? No one really knows, but it seems more than coincidental that the alleged shortage has been announced just recently, precisely when decisions have to be made about a Mackenzie gas pipeline. Canadians should ask who is behind this claim of an alleged shortage and for what reasons. In any case, be there a shortage or no an inventory is required of all our energy resources in Canada and the prospect of their utilization so that Canadians know the scope of the problem and how to solve it and point of fact, Canada has no shortage of energy. It is one of those fortunate countries in the world which has an ample stock. It is also one of those unfortunate countries in the world in which this irreplaceable resource is in the hands of others due to short-sightedness, due to the effort to make a fast buck at the expense of independent economic development of the country.

Energy is too precious a

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commodity to be left in the hands of the multinational corporations or under the sole control or ownership of this or that province. Energy is an all-Canadian resource which ought to be used for all parts of the country for the benefit of all Canadians, irrespective of where they live and ^{at} a cost which would ensure continuing long-term development and growth.

To ensure this, these invaluable resources and assets must be taken out of the hands of the multinational corporations and made public property. This is the only way to ensure it will be developed in the national interest. A fully integrated all-Canadian energy policy based on public ownership under democratic control is therefore essential to the achievement of these aims and to balanced economic development, job opportunities, rising standards and Canadian independence.

In summary, the Communist Party of Canada proposes:

1. The land claims of the native peoples must be resolved to their satisfaction. This must be incorporated in a treaty with the native peoples of the Northwest Territories.
2. Economic development in the Northwest Territories must be based on agreement with the native peoples. This should include the question of a pipeline, railway system, protection of the environment and ecology of the north.
3. As part of any agreement, the principle of preferential treatment for the native peoples must be

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F. P. Jones

clearly established.

4. It follows from the above that the Mackenzie gas pipeline should not be built at this time.

Thank you.

(SUBMISSION OF THE COMMUNIST PARTY OF CANADA - W.
KASHTON - MARKED EXHIBIT C-447)

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner,
I call next Mr. F. R. Jones, the president of Steep Rock Iron Mines from Atikokan, Ontario.

F. R. JONES, sworn;

MR. WADDELL: Mr. Commissioner,
while Mr. Jones is being sworn in, I would like to file with Miss Hutchinson, the Inquiry's secretary three briefs -- short ones, one from Kapuskasing Industrial Committee, Kapuskasing, Ontario, another from Mrs. Ruth Stuart, Hamilton Ontario and finally from Mr. Selwyn Dewdney, D-e-w-d-n-e-y, from London, Ontario.

(SUBMISSION OF SELWYN DEWDNEY MARKED EXHIBIT C-448)

(SUBMISSION OF RUTH STUART MARKED EXHIBIT C-449)

(SUBMISSION OF THE KAPUSKASING INDUSTRIAL COMMITTEE
MARKED EXHIBIT C-450)

THE WITNESS: Mr. Commissioner,
I think my talk is probably going to differ from the last one in at least two regards: One that it probably has a different viewpoint and secondly that it isn't going to be as long. The latter at least will be beneficial.

THE COMMISSIONER: Order.

F. P. Jones

A Please, I am not being derogatory to the previous speaker but I am bragging about the shortness of mine.

I could be rightly accused of bias because of the position which I occupy in the mining industry and I recognize that. However, I would like to say that perhaps the amount of bias I could be accused of would be mitigated a little bit, inasmuch as I am retiring from this industry in two months time, and one of the main reasons is that I want to devote a lot of leisure time to enjoying what I hope will be the unspoiled, untarnished, outdoor places of Canada, and mainly in the northern part of Canada, although I have never been to the extreme north and I hope also to get there sometime.

THE COMMISSIONER: Mr. Jones, don't feel obliged in any way to apologize because you have a particular point of view based on your own experience and your own business interests, whatever they may be. You know, everybody that comes here to speak has a point of view and whether you want to call it a bias or not is something that doesn't particularly concern me. People that come here to speak come because they have a point of view that they want to express, so feel free, sir.

A Thank you Mr. Commissioner. I was attempting to say I hope my bias has not influenced what I am going to say. We try to be objective. We sometimes fail.

Now, Steep Rock Iron Mines has

P. R. Jones

operated an iron ore mine and associated beneficiation plants at Atikokan, Ontario since first production in 1944. Steep Rock's shares were widely owned by the public until recently, actually last February, 1976 when Canadian Pacific Investments purchased approximately 68% of the issued shares. Currently 86% of Steep Rock's shares are owned by Canadian residents and we're proud of this particularly because in the resource industries as has been well brought out, is not always so. Steep Rock employs 600 people. That's direct employment and there's a large community -- we say large, 6,000 people which is perhaps more than 50% dependent upon Steep Rock for its economy.

Our present operation dervies ore from an open pit mine and converts the raw ore to iron ore pellets for sale. Most of Steep Rock's 1.4 million ton per year output goes to the blast furnaces of the Algoma Steel Corporation at Sault Ste. Marie, Ontario.

In processing its iron ore for sale, Steep Rock uses substantial quantities of natural gas and the present consumption is about 3.2 billion cubic feet per year, all of which is purchased from Northern & Central Gas Corporation Limited who draw their supply via a branch line off the Trans Canada system.

Now Steep Rock has since 1950 owned the mining rights to a large deposit of low grade magnetic iron ore on the south shore of Lake St. Joseph, about 180 miles north of its Antikokan

operations. For those not familiar with that part of the geography of the country, Atikokan is about 250 miles or so east of Winnipeg and 130 miles west of Thunder Bay so this ^{places this} operation about 180 miles north say of the Highway 11 and closer to Thunder Bay than to Winnipeg.

This iron ore deposit is unique in central North America in that it appears to be the only large deposit capable of economically producing a "superconcentrate", that is one about 70½% iron. Now from this superconcentrate, oxide pellets grading 68% oxide and less than 2% silica can be produced. These oxide pellets can be reduced to metallic iron or sponge iron to provide a source of melting stock for the electric furnaces of central North America.

I have to include some of these technical things which I am sure are not of interest to a great many people but it is part of the context of the point of view. Now, except for 1975 when there was no significant growth in the industry, the electric furnace steel making industry in Canada, over the last 15 years, has been growing at an average rate of 12% peryear, or more than twice as fast as the Canadian steel industry in total.

Electric furnaces require metallic iron as feed stock, and historically have been dependent upon a supply of steel scrap. The scrap supply appears now to be fully utilized in North America and Canada has for some time been scrap deficient.

F. R. Jones

1 This thing of course goes in waves. In most of 1975
2 there was a scrap surplus because of the depression
3 in the steel industry but it seems that a normal
4 condition is that there just is not enough scrap
5 for expansion of this portion of our industry. So
6 in order that our electric furnace industry may expand,
7 an alternate source of melting stock is required and
8 pre-reduced iron ore is the only such alternate feed
9 that is known, let's say, to present technology.

10 The Steep Rock is well
11 advanced in its planning to base an operation on the
12 Lake St. Joesph iron ore deposits and to produce both
13 oxide pellets for blast furnace feed and reduced pellets
14 for sponge iron for electric furnace feed. The planned
15 operation will require about 15 billion cubic feet of
16 natural gas per year, availability of which is dependent
17 on the delivery of gas from the Arctic. In other words,
18 I don't know whether there's a gas shortage or not,
19 but I know we can't get any. No other suitable
20 fuel for the production of sponge iron is know to today's
21 technology.

22 Now it is our belief and con-
23 tention that the interests of the citizens of our
24 north and the interests of those of our mid-north and
25 of our south are inseparable. The life-style adopted
26 by the inhabitants of the Arctic is heavily dependent
27 upon the human resources of the south for its tools,
28 transportation and shelter. I say that with a great
29 confidence. I haven't been there but I think probably
30 -- I hope it's a true statement. The inhabitants of the

P. R. Jones

south are dependent upon those of the mid-north and north for raw materials including fuel. The inhabitants of the mid-north depend on those of the south for manufactured items and markets for their products.

Now the maintenance and improvement to our standard of living is well accepted as desirable. I know that we can argue that one back and forth but I think generally speaking, it is well accepted as desirable. Now the term "standard of living" undoubtedly means different things to different people. A dictionary definition is:

"The way of living that a person or community considers necessary to provide enough material things for comfort, happiness, etc."

The etc. is included in the dictionary as part of the quote. Provision of those material things for an every-growing population demands expansion of resource development. Now, that's just to maintain the present standards of living. The emphasis of course is greater if we are going to improve it.

It is a fair assumption that resource development, for the good of all, had best be done by those best qualified to do the work efficiently. It is inevitable that some of us suffer some inconvenience because of the work of the developers and this inconvenience must be kept to a minimum. Where it is unavoidably otherwise some suitable form of compensation becomes mandatory. It also behooves us, if we believe in developing our resources for the good of all citizens that inconvenience caused the developers be kept to a

F. R. Jones
D. MacKay

1 minimum. Otherwise, our developers will incur higher
2 costs and all of us who require the products, higher
3 prices.

4 Steep Rock's project at
5 Lake St. Joseph is planned to supply a basic need of
6 all our citizens, the iron to make the steel that will
7 be used to provide our tools, transportation and shelter.
8 Natural gas is required for the project. It is
9 important that suitable means be devised and implement-
10 ed to bring that gas to such resources as Steep Rock's
11 ore deposits.

12 The alternative is that citizens
13 of north and south alike face a future without the
14 tools, means of transportation or shelter or with
15 fewer and more expensive ones. Time, our antagonist,
16 is rapidly out-distancing our decision making processes.
17 Let the right decisions be made, but let the race not
18 be irrevocably lost while making them.

19 Thank you sir.

20 (SUBMISSION OF STEEP ROCK IRON MINES MARKED
21 EXHIBIT C-451)

22 (WITNESS ASIDE)

23 MR. WADDELL: Mr. Commissioner,
24 I next call upon Professor Donald MacKay of the In-
25 stitute of Environmental Studies, York University --
26 the University of Toronto.

27 DONALD MacKAY, sworn;

28 THE WITNESS: First I would
29 like to outline my experience. I am on the staff of
30 the Department of Chemical Engineering and Applied

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Chemistry at the University of Toronto. I am also associate director of the University's Institute for Environmental Studies.

My main research interests are in oil pollution and clean up in which I have published a number of papers and reports, several relating to the Mackenzie Valley and Beaufort Sea and in the Canadian energy situation. I have undertaken research for the Department of Indian Affairs and the Environmental Social Program, Northern Pipelines on terrestrial oil spills at Norman Wells, Inuvik, Tuk and Richards Island. I have acted as consultant to part of the Beaufort Sea Project at Cape Parry.

I have grants and contracts from Environment Canada, the Environmental Protection Service, the Inland Waters Directorate and the Atmospheric Environment Service, from PACE, the Petroleum Association for the Conservation of the Canadian Environment, the Ontario Ministry of Energy and the National Research Council.

My comments fall under several headings: some introductory comments on the energy situation, a discussion of spillings of oil and hazardous materials, the need for a better environmental impact assessment procedure, a few comments on the gas pipeline construction and operation, the social impact of Arctic developments and finally I will draw some conclusions and make some recommendations.

My theme is that it is imperative that we exploit Arctic oil and gas soon and that

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with proper planning, this can be done in an environmentally acceptable manner but it will need an improvement in our present performance.

First, the Canadian energy situation. I am convinced that by the early to mid-1980's Canada could face a severe petroleum energy shortage. From the standpoint of energy needs alone, it is imperative that exploration proceed as fast as possible in the Mackenzie Delta and Beaufort Sea and that gas and oil pipelines be constructed at the earliest possible date.

The point which I wish to emphasize is that the longer the delay in proving reserves or constructing viable transportation systems, the more critical the national energy situation may become and the more likely it is that environmental and social factors will be disregarded. I'm thus in favor of early construction of the Canadian Arctic Gas Pipeline. I recognize that in --

THE COMMISSIONER: Excuse me, It's not that I want you to take a position on it if you didn't intend to. You said "Canadian Arctic Gas". Does that mean as opposed to Foothills?

A That's right, yes.

THE COMMISSIONER: O.K.

A I recognize that in the long-term, we must depend on renewable energy resources but there is simply no possibility of substantially decreasing our dependence on oil and gas in the next ten to 15 years. The industrial and social consequences

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1 of a short-fall in oil and gas supply would be
2 disastrous. I am equally convinced that it would be
3 intolerable to proceed with these developments in an
4 environmentally and socially damaging manner. The
5 issue is that conflicting imperatives of accomplishing
6 the exploration and construction objectives in the
7 short time available and yet satisfying environmental
8 and social factors. I believe that this can be
9 accomplished.

10 Spills of oil and hazardous
11 materials. Let me approach this issue by breaking it
12 down into four aspects and present my opinions and
13 conclusions. One should first strive to prevent spills.
14 Spills will, however occur and the next stage is to
15 predict the likely amounts which will be spilled
16 using past experience as a guide. Third, one should try
17 and assess the impact of these spills and finally
18 one should devise and have ready and tested clean-up
19 and restoration equipment and techniques.

20 Let me deal with each aspect
21 in turn. Prevention. The Inquiry could play an
22 important role by requiring that appropriate measures
23 be taken to prevent spills. Such measures have been
24 discussed in earlier testimony; for example, the
25 proper storage of fuels, lubricants and methanol.
26 In my opinion, if the procedures recommended are followed
27 then spilled damage should be acceptably small during
28 construction and operation of a gas or even an oil
29 pipeline. In areas of particular biological and social
30 or aesthetic importance extreme precautions should be

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taken to prevent oil and other spills by increasing the safety factor in design of facilities and by very careful surveillance.

Spill predictions. I believe that it is essential to prepare estimates of spill frequency, types, volumes and time of year for oil and other substances. This is difficult, but it does provide a perspective on the magnitude of the problem. Even an approximate estimate is better than no estimate. For fuels, lubricants, methanol, etc., the total amount handled obviously provides an upper limit to the amount which can be spilled. In practice, it is possible to estimate that $x\%$ of the fuel may be spilled. I have no knowledge of the precise value of x but I suspect that it will lie between about .1 and 2%. I recommend that Alyeska data be sought on this topic as well as on their experience of the most likely spill causes and the most damaging situations. We can learn from their mistakes.

The major oil spill threats will arise from the exploration, production and transportation of crude oil in this region. Various analyses of oil spill statistics have been compiled, the best being the "Outer Continental Shelf Oil and Gas: An Environmental Assessment", a report to the President by the Council on Environmental Quality, April 1974, Volume 5. The approach taken in this document is to assume a volume of oil produced and calculate how much will be spilled and in what quantities. If for our purposes we assume that this region will produce a total

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of about 2 billion barrels of oil over a period of 12 years, then these numbers coincide with a large find as described in that document.

Other data can be used; for example, from the Canadian Petroleum Association Statistical Yearbook from ^{the} U.S. National Academy of Sciences study, "Petroleum in the Marine Environment", 1975, the University of Oklahoma's "Energy Under the Oceans" and from the Beaufort Sea Project. I have insufficient time to go through the predictions in detail, thus I'll express only the conclusions.

During the production and transportation of this two billion barrels of offshore oil, that is assuming it is offshore oil, there will be about ten major marine spills of average volume 37,000 barrels and a large number of small insignificant spills. From the pipeline, there may be 24 spills of average volume; 10,000 barrels. The total volume spilled over 12 years would be about 600,000 barrels or 0.03% of the oil recovered or 300 barrels out of every million barrels produced.

One can also argue that if there is oil in the Beaufort Sea in these quantities, then there is about 1 in 400 chance that the first hole drilled in the summer of 1976 will blowout and will release oil. There is a higher probability that it will release gas only.

It is interesting to note that there have already been two gas blowout incidents in the Arctic Islands out of the several hundred wells

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drilled. A blowout probability of about one in several hundred thus seems reasonable. The Beaufort Sea Project figure of one in a 1,000 to one in 10,000 is I believe, optimistic.

Prediction of spill behavior.

Having established how much --

Q Excuse me, I think the Beaufort Sea Project's figure was one that they simply took on the basis of the industry's own assessment. I don't think the Beaufort Sea Project sought to assess the likelihood of a blowout in the same way that they were examining the consequences of a blowout. At any rate, carry on. I get your point.

A Yes, you're correct.

Q That's your understanding too then of what they did. Yes.

A Yes, they took industry data to arrive at this figure of one in a thousand to one in ten thousand, but it is published as part of the Beaufort Sea Project.

Prediction of spill behaviour.

Having established how much will be spilled the next step is to predict the behaviour and the impact.

First, spills on land. There is a fairly good understanding of the physical behavior of oil when spilled on Arctic terrain. This work has been published by the Environmental Social Program, Northern Pipelines in which it is estimated that the average spill will probably cover a few acres which will be very unsightly, almost completely devastated of

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vegetation and it will take many years to restore. The severity of the impact will depend on the season and the volume of oil spilled, but there will be a little impact outside the spill area provided that the oil is effectively contained. If oil reaches a lake, then that lake will probably be devastated biologically but again the impact will be localized. It is generally accepted that a spill into a river such as the Mackenzie will be totally uncontrollable and the oil behavior unpredictable.

Spills in the Beaufort Sea.

Regarding drilling in the Beaufort Sea, I have read several of the Project reports and believe that their assessment of the impact of an oil blowout is reasonable. An impressive amount of data has been obtained on the physical and biological environment of the Beaufort Sea, but a one year study is inadequate. A minimum of three years is needed to obtain meaningful environmental data and develop understanding.

Personally, I doubt the wisdom of drilling as far offshore in the summer of 1976 and I would much prefer to have seen drilling delayed until the technology is more proved and oil spill clean-up technology developed which could minimize the environmental impact of a spill if it occurs. The ultimate effects of a major spill in the Beaufort Sea are still not well understood.

Clean-up. In the event of an oil spill, the best initial response is to reduce the impact, is to contain the oil in as small an area as

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possible and prevent it reaching flowing water, then remove it by hand or recovery devices and finally promote restoration by relying on microbial degradation and other natural processes to destroy the residual oil.

As a result of observing oil spills in the Arctic it is my belief that some clean-up methods traditionally developed for temperate environments are totally unsuitable for the Arctic environment and that a specific clean-up technology must be developed for the Arctic. Certainly burning and diking the two most common methods in the south, are totally inappropriate for Arctic terrestrial conditions, especially on permafrost.

Regrettably, there has been no research to devise methods of containing and removing oil from soil underlain by permafrost. The development of clean-up technologies for the Arctic environment should receive a high priority, but the response of Environment Canada in this regard has been disappointing. After the "Arrow" tanker incident at Chedabucto Bay, those responsible for clean-up were required to show extraordinary ingenuity in devising clean-up methods.

It is unlikely that this ingenuity would be matched in an Arctic blowout. The low population density and cold climate will severely impede the clean-up effort, making a high degree of preparedness essential. I understand that testimony has been given at this Inquiry concerning the Japanese Mizushima oil spill in which vast resources were

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1 mobilized for clean-up. Such an effort is clearly
2 impossible in the north. An effective oil spill clean-
3 up program may take many years to develop and it is
4 essential to start now.

5 Chronic oil emissions. I
6 would like to mention the problem that continuing
7 emission of small quantities of oil into the environ-
8 ment of this region. This is less spectacular than the
9 spill incidents but possibly as important in the long
10 term. In the south, emissions from refineries and
11 other sources are usually well dispersed and degraded
12 in the aquatic environment and appear to cause few
13 problems. A U.S. National Academy of Science's
14 review of this situation concluded:

15 "The oceans have considerable ability to purify
16 themselves by biological and chemical actions.
17 A basic question that remains unanswered is, at
18 what level of petroleum hydrocarbon input to the
19 ocean might we find irreversible damage occurring?
20 The sea is an enormously complex system, about which
21 our knowledge is very imperfect. The oceans may
22 be able to accommodate petroleum hydrocarbon inputs
23 far above those occurring today. On the other
24 hand, the damage level may be within an order of
25 magnitude of present inputs to the sea.

26 Until we can come closer to answering this
27 basic question, it seems wisest to continue our
28 efforts in the international control of inputs
29 and to push forward research to reduce our current
30 level of uncertainty."

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I would like to suggest that there is a real possibility that the Arctic fresh water and marine environments will have a lower capacity to assimilate hydrocarbons than have temperate environments because bio-degradation rates are slower, the oil will behave differently, for example oil under ice, and some biota may be more vulnerable. Since the Arctic aquatic and marine environment is less understood and may be more vulnerable, I believe that it is fitting that we should be prudent, proceed with extreme caution and take the utmost care to prevent discharges of oil and other hazardous materials into that environment, that we should err on the safe side.

A few comments on Environmental impact assessment. I would like to suggest that a major contribution which this Inquiry can make towards satisfactory development of future northern projects is to recommend minimum and consistent requirements for environmental and social impact assessment in the north.

1. Obviously any major project in the north should receive an adequate environmental and social impact assessment commencing at least three years before approval and the start of construction.
2. The assessment should be funded and directed principally by government rather than by industry.
3. The assessment should involve scientists from industry, government, universities and research institutes, that is a cross-section of the Canadian scientific community, both interested and disinterested.

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4. If the aim is to predict the total impact of an environmentally damaging event such as an oil spill, then it is essential to undertake large experimental spills preferably 1/100th, but at the smallest 1/1000th of the size of the expected spill in the actual area in question. It is noteworthy that there has been no experimental spill in the area of the Beaufort Sea where Dome will drill this summer.

5. This work must be done in a totally open manner with all data published rapidly. There should be adequate time for assimilation, debate, review and discussion of the findings in an independent forum, in order that its scientific validity be challenged and proved and that any gaps in knowledge be clearly identified.

Unfortunately, Canadian scientific societies, from the Royal Society of Canada downwards, have been almost totally inept in promoting such a process and have therefore had almost a zero impact. This is not the case in the U.S. Part of the excuse or reason for this is the pitiful level of funding for Arctic related scientific research in Canada.

It is often not appreciated by non-scientists that scientific data and conclusions cannot be regarded as validated until they have been thoroughly reviewed, published and subjected to the rigours of criticism by other independent scientists. This process, although sometimes slow, guarantees the validity of the data and hence the decisions made on

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1 that data. This validation process has not yet occurred
2 in the Beaufort Sea Project which is a good example
3 of failure to plan adequate assessments leading
4 to an obviously difficult and contentious Cabinet
5 decision.

6 I note that about half of
7 the Beaufort Sea Project reports are not yet publicly
8 available, especially the overview reports and the
9 work on clean-up or countermeasures.

10 I would also like this Inquiry
11 to note the eagerness which I observe in our young
12 Canadian students at university who seek research ex-
13 perience in the Arctic and who are usually disappointed,
14 principally because of failure to provide adequate
15 research funding to universities.

16 Canada, I believe will be
17 confronted with repeated crisis situations in the
18 north in which unsatisfactory decisions will be
19 necessary with conflicting environmental and industrial
20 viewpoints unless our impact assessment procedures
21 are improved. I believe that the proposed gas pipeline
22 has received an adequate environmental assessment
23 but that other projects such as the Mackenzie Valley
24 highway, drilling in the Beaufort Sea and the Arctic
25 Islands, oil pipelines and the Polar Gas pipeline
26 have not yet been adequately assessed.

27 Gas and oil pipeline construc-
28 tion and operation. From reading the reports of the
29 Pipeline Application Assessment Group, the
30 Environmental Protection Board and many of the

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Environmental - Social Program Northern Pipelines reports, I believe that a very thorough and competent job has been done and that if the suggestions of the Environmental Protection Board are followed, then the environmental damage will be minimal and acceptable. My main concern is that there may not be adequate inspection and control during the heat of construction to ensure that environmental protection receives the high priority it deserves. I believe that it is essential that there be an independent and competent inspectorate vested with full powers to halt construction if activities become environmentally unacceptable.

Social impact. I fully acknowledge my lack of experience in this area, but I feel compelled to comment because it is obviously so important, indeed more important than the environmental impact. In my opinion, it would be intolerable to proceed with development in the face of significant opposition from the residents of an area such as the Mackenzie Valley and delta. My impression from my limited contact with them is that the residents are not opposed to development. Rather, they are opposed to development without adequate participation by them in the decision-making process.

The contribution which the native peoples make to the Canadian identity is out of all proportion to their numbers and it would be intolerable to treat them with other than the greatest respect, acknowledging that when we intrude into their traditional environment, it should be with their

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agreement and full participation.

I believe that a major social impact could occur during the construction process. One of your most difficult problems is to ensure that construction proceeds in the Mackenzie Valley without destroying the social fabric of these small communities. I would go as far as to suggest that it may be necessary to control access to these communities and control construction workers in an almost military manner. It should be possible to construct pipelines in a socially orderly manner and avoid the "cowboy" approach to resource projects which is often prevalent in frontier regions.

I understand that it is the intention of Canadian Arctic Gas to control their construction labor to avoid such adverse social impact. I hope that the Inquiry will ensure that this happens.

In conclusion, I would like to emphasize the following points.

I am concerned that if the energy situation worsens, environmental and social factors in the north will receive less sympathetic consideration.

I believe that a gas pipeline can be constructed in the Mackenzie Valley with acceptable environmental damage provided that there is effective inspection and control of all operations. This control should extend to all operations such as exploration and control over construction workers and the affected communities.

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Regarding oil exploration and transportation, the situation is less satisfactory. This Inquiry should require that every effort be made to minimize spills of oil and other hazardous materials by inspection of facilities and operations, that data on spill frequency, source, nature, cause and effects should be sought from the Alyeska pipeline, and spill estimates prepared for all northern oil developments, that research should take place on the physical and biological behaviour and effects in the affected environment and that a specific Arctic clean-up technology should be urgently developed for spills on permafrost soil in the delta and in the Beaufort Sea.

Hopefully, this can be accomplished before major oil developments being, although I am not encouraged by our record in the Beaufort Sea. Until there is a much better understanding of the resilience of the Arctic ecosystems, we should err on the safe side by avoiding stressing them with chronic or accidental oil emissions.

I hope that the Inquiry will establish minimum requirements for environmental impact procedures for future projects including factors such as duration, timing, funding, involvement of a cross-section of the scientific community, openness and the provision of a forum for discussion and verification of the research findings.

Generally, I am impressed by the environmental attitude and efforts of the major petroleum companies such as Imperial, Gulf, Shell and

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Canadian Artic Gas. I am less impressed by the Federal Government's ability to plan energy supply in an environmentally and socially acceptable manner.

Finally, I am convinced that Canada has the necessary scientific and engineering skills and attitudes especially in its youth to accomplish orderly petroleum development in the Arctic. I am concerned however that these skills and resources may not be effectively deployed soon enough. My hope is that this Inquiry will ensure effective deployment of these skills and resources to achieve environmentally acceptable petroleum development in the north.

Thank you for this opportunity to express my views.

THE COMMISSIONER: Just a moment. It may be that since you've given evidence about some environmental questions that are very important to the Inquiry and to a number of the participants that after counsel for the various participants are consulted, one or more of them may wish you to come to Yellowknife and if that occurs, and you are able to come, we'll look forward to discussing the thing at greater length you at that time, but I certainly appreciate your putting these things together in this way for us. Thank you.

A Thank you. I'll be glad to do anything I can.

(SUBMISSION OF D. MacKAY MARKED EXHIBIT C-453)

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner,

D. C. Matthews

I think we can have one more brief before coffee if possible. I'd call upon Mr. Douglas Matthews. Mr. Matthews?

DOUGLAS MATTHEWS, sworn;

THE WITNESS: Mr. Commissioner,

the discovery of significant reserves of hydrocarbons on the North Slope of Alaska in 1968 brought about a rush to explore in the prospective areas of northern Canada. The hitherto modest effort in this respect had consisted of a gradual but methodical northward extension of the exploration effort from northern Alberta. The greatly expanded exploration activity which engulfed the territory extending either side of the Mackenzie River and outwards to the areas offshore from that river delta, quickly spread across most of the land areas of the Arctic Islands, as well as a significant proportion of the water areas. These efforts were given new economic meaning as the energy crises of the first half decade of the 1970's unfolded.

While the search for hydrocarbons focused a significant amount of Canada's efforts on the high north in a compacted time span, it should be recognized that since the conclusion of World War II, increased southern influence has been felt throughout the north. For example, the government program to retire Aklavik and its replacement by Inuvik, the expansion of river traffic on the Mackenzie and the several mining projects in the Northwest Territories are but some examples of the unrelenting southern pressure on the north.

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For the most part, this pressure from the south is in response to a country and a world which has demands for new sources of raw materials. The pressure may surge forward at times while at others it recedes somewhat but the trend is always upward. The north is but one new area in the world where these materials are being sought. Through all of Canada, the economic consequences of finding and exploiting the increased sources of raw materials can be significant but for the indigenous peoples, the consequences are in addition, social.

The Mackenzie Valley Pipeline Project is another of the influences from "The south", albeit to date one of the most significant with long term ramifications that will affect Canada's northland. It is probable that unless the country had been faced with a project of such magnitude, with a so-called "shock treatment" that we would have undertaken a broadly based study on the impact of southern culture on the north in which case the slower, less spectacular filtering northward of these southern influences would have continued. Should the pipeline not be built, this brief suggests this osmosis situation will prevail.

I'll now speak to the north and its inhabitants. Throughout this brief, the term "the north" is used in reference to the Mackenzie River watershed northward from Alberta, extending west where the Pre-Cambrian shield surfaces to the Rocky Mountains or the Alaskan border. It also comprises the Arctic Island areas across the top of Canada, including Baffin and

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Ellesmere Islands, and the water areas of the Arctic archipelago. The term excludes, in this paper, the Hudson's Bay area and others eastward.

The north is inhabited and was, at the time the rapid northern expansion commenced in 1968, by three categories of people. These are:

- (a) Eskimos who historically and traditionally were spread out across the areas north of the treeline in small bands or groups. A significant trend towards the concentration of Eskimo populations had been evolving since World War II. These concentrations form more or less permanent communities.
- (b) Indian peoples. The Indian peoples occupying lands south of the treeline, who by 1968 had for the most part over the course of the previous century and a half, abandoned their total reliance on gaining their livelihood from the land to one of reliance on either a blend of traditional and southern civilization systems, or one where the latter prevailed.

The trend over the most recent quarter century has been almost completely one way, i.e., away from the historic, traditional aboriginal way of life.

- (c) This is the third group. Others or non-natives, including Metis who, in the case -- as in the case of Indians, occupy lands south of the treeline. For the most part, these others rely on their livelihood on the products of and are influenced by the peripheral effects of southern ways as these filter north.

Mining, forestry, trapping,

D. C. Matthews

1 fishing, transportation, etc., serve to orient their
2 efforts towards the activities designed to produce
3 cash in hand which is then used to buy southern
4 produced goods.

5 It is these three categories
6 of contemporary indigenous peoples whose lives the
7 Mackenzie Valley Pipeline will affect. The effects
8 will be economic, cultural and environmental. The
9 point is being made and is being elaborated upon in
10 the paragraphs which follow that any consideration of
11 the lives of contemporary inhabitants in the north
12 should recognize that proportionately, more orientation
13 away from the traditional life-styles towards western
14 culture has already taken place.

15 The north, a history of
16 southern or "exotic" influences. Prior to this century,
17 the impact of southern Canada on the Eskimo in the
18 north -- the term is defined in this brief -- was
19 minimal except perhaps in the eastern sections of
20 Baffin Island. Indeed, the first cultural and hence
21 economic influences affecting the Eskimo of the western
22 Arctic were Russian trading goods emanating from
23 Siberia rather than from North America or Europe.
24 The earliest contacts were the explorers who, apart
25 from giving articles as presents in order to ensure
26 the friendship of the Eskimos, scarcely affected the
27 native way of life.

28 Probably the popularity of
29 the Arctic white fox as a fashion item in the western
30 world was the single most significant event to alter

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1 the aboriginal customs, as it shifted the emphasis of
2 the native from solely one of survival in a hostile
3 environment to one where a cash crop was of importance.
4 The cash crop, initially fox furs, followed by other
5 skins, reoriented some of the individual's effort
6 away from merely providing food, clothing and shelter
7 to instead harvesting of a crop, and with the proceeds,
8 buying tea, flour, sugar, canvass for tents, rifles,
9 ammunition, traps and other small useful articles;
10 needles, cooking utensils and iron items, etc.

11 The influence of the fur
12 trade created permanent settlements which in turn
13 hastened the exposure of the Eskimo to the so-called
14 "better" way of life. Until World War II and the
15 subsequent related defense efforts, southern influences
16 on the Eskimo way of life came relatively slowly.
17 Canoes, outboard motors, snowmobiles, western weather-
18 effective clothing materials, to give only some
19 examples, have all had an increasingly profound effect
20 on the way of life since World War II. Social transfer
21 payments, improved transportation methods, making
22 southern products, including liquor, generally avail-
23 able, state medical benefits, the widening availability
24 of radio and television, etc., have all combined to
25 radically alter the native way of life.

26 The Indian people, in their
27 geographic regions, were similarly affected by the
28 exposure to western culture. Only the contact commenced
29 sooner, in the 18th century, and because transportation
30 and communication was easier, the exposure was more

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complete. The fact that the contact took place before the advances of modern medical science, resulted in near disasterous sicknesses and epidemics ravaging these groups. The economic vicissitudes of the western world over the past two centuries have resulted in profound economic consequences for these peoples, especially during the troughs of such activity.

For whatever reasons, the well-being of these peoples as a group has probably deteriorated relative to that of other Canadians in approximately 110 years since the Government of Canada assumed jurisdiction over the territory from the Hudon's Bay Company. As noticed previously, in the area south of the treeline, the southern oriented activities connected with extractive industries, coupled with transportation, both surface, highway and water and air, have had a substantial impact in these areas and their inhabitants over the past 30 to 35 years. The completion of the Alaska highway some 35 years ago pioneered the way, showing that the north was not impenetrable, using modern construction equipment.

In the view of the foregoing evidence, this brief contends that to consider at least the continental areas of the north as a "last frontier" is basically unrealistic, as the frontier demarkation line has already been pushed northward to the mainland coastline. Changes in the life-style of these mainland peoples is well advanced in the transitional process and we are now merely looking at their substantially westernized contemporary living modes as one frame in

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1 the motion picture which is already half run.

2
3 Environmental considerations
4 in the north. There is no question that the Mackenzie
5 Valley Pipeline, by its installation, will cause
6 environmental effects in the north. Almost any
7 physical act of man causes some effects and it is a
8 question of degree and the trade-offs involved.
9 The room in which you conduct this hearing is heated
10 or cooled, ventilated and lit through the consumption
11 of energy in one form or another which has been won
12 from nature. The paper on which you write your report
13 will probably come from the forests of our country,
14 and it is just not a single copy of the report that
15 will be required, but thousands, to be read by the many
16 Canadians who will want to learn of your findings.

17 Many cords of pulpwood will
18 be required to manufacture this paper. If the trees
19 that are cut to make such paper comes from a nondescript
20 growth of conifers in British Columbia which province
21 has many square miles of such forests, no one will
22 raise an objection. Should however the paper maker
23 wish to harvest a unique surviving stand of pines or
24 firs strategically located to be enjoyed by the citizens
25 of Canada or for the world, then we would consider
26 the environment has been affronted. A sense of
27 proportion is necessary.

28 The proposed pipeline will
29 in aggregate affect many areas throughout its length.
30 The significant disturbing effect however, will be
31 restricted to a corridor, say of a mile extending at

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either side of the line which corridor, as a percentage of the type of terrain effected will be inconsequential. Beyond this relatively narrow corridor, other than in relatively few instances, neither the flora or the fauna nor humans will be disturbed. Certain land oriented migratory animals of which the caribou is the most mentioned example, will require that special safeguards are observed to contain the adverse effects within acceptable bounds. The human physical awareness of the project will be no more than that caused by a modern highway complex traversing the countryside. Few of us, a mile removed from such a system with bush in between, are much aware of its existence.

Obviously, special attention will have to paid to reduce the direct contamination or pollution risks to minimal and acceptable levels but the regulatory authorities, National Energy Board, Department of Transport or whomever, can be charged with this responsibility. In the industrial world of which we live today, there can never be realistically be a setting free from all risks. Indeed, wars accepted, the world of yesterday was more prone to disasters caused by accidents than is the case today. For example, the great fire of London in 1666 which left only 1/5 of the walled city standing, having burned over 13,000 houses.

Ecologists, in presenting arguments before this Commission would appear, from reading press reports, to have emphasized that the pipeline should not be permitted if there is a doubt

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about the adverse effects on the environment and particularly on the animal life. It would be interesting to speculate what stand these persons would have adopted if in the last half of the 19th century when Canada and the United States, prairie lands were being broken for agriculture and fenced together with the lay-out of a rural road network, which action had the predictable effect of causing the demise of the plains buffalo, the pinnated grouse, the true prairie chicken and the virtual disappearance of the long prairie grass. The question might be asked, should the west never have been settled?

In any discussion of the adverse effects of the proposed pipeline, it must be recognized that the relevant aspects of the incremental changes that the project may bring about, there already exists regularly scheduled air transportation and in season, river travel. Modern telecommunications are an established fact. While the progress of the Mackenzie Valley highway is currently indefinite, the Dempster highway an all weather road will shortly be completed to Inuvik from Whitehorse, via Fort McPherson. A railroad is perhaps one of the few remaining links with the south yet to be put in place.

In today's world, little culture moves by rail, mostly, it is freight. The human social, economic and cultural forces will therefore for the mostpart be present throughout the proposed pipeline whether or not the pipeline is present. The long-term pattern of encroachment on the north by

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1 outside influences from the south and elsewhere has
2 been described previously. It is already too late to
3 insulate or isolate the aboriginal peoples from exotic
4 cultures. At best, further associations with the
5 outside can be retarded but that this is practical
6 is somewhat doubtful. Either for reasons of national
7 defense or display of sovereignty, a visible Canadian
8 presence is demanded in the northland.

9 Scarcely five years ago, the
10 voyage of the "Manhattan" through the Northwest Passage
11 caused concern that the Canadian northern claims could
12 not be enforced. In a world apparently destined to
13 experience increasing shortages of raw materials, it
14 is unlikely that Canada can leave in a vacuum efforts
15 to exploit to a lesser or greater degree, its northern
16 areas. In fact, over the past month the Canadian
17 Government has issued several policy statements in which
18 an expanded developmental role for the energy search
19 in the north has been indicated.

20 It is reported that world
21 renowned sociologist, Barbara Ward, has pointed out
22 in her book "The Home of Man", commissioned on behalf
23 of next month's United Nations Habitat Conference in
24 Vancouver, that Canada, as one of the richer countries
25 will be unable to hoard its resources but must share
26 them with the world, the alternative being the risk
27 of violent repercussions.

28 Setting aside the question
29 of any further cultural impact on the north which it
30 is suggested is inevitable, the history of the

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1 evolution of world's populated undeveloped areas
2 indisputably points to the inability of a people to
3 remain insulated from the surrounding world. The
4 appropriate approach would indicate a structured
5 program designed to include native peoples in the
6 contemporary world of today. If one accepts this
7 tenet, northern Canadians of all backgrounds should
8 as rapidly as possible have the opportunity to partici-
9 pate in the development of Canada in the last quarter
10 of this century.

11 The Mackenzie Valley Pipeline
12 offers a vehicle of sufficient magnitude to allow
13 Canada to include a significant number of these people
14 hitherto without these opportunities.

15 Alternative opinions. Judging
16 on the basis of press reports, we in southern Canada
17 might assume that a significant number of those
18 appearing before this Commission have spoken against
19 the Mackenzie Valley Pipeline Project proceeding at
20 the present time. Included in this group, are several
21 articulate groups or individuals commonly from the
22 ranks of academia whose professed objectives are to
23 keep northern Canadians uncontaminated by southern
24 influences and the landscape unmarred by the contemporary
25 parallel of the woodsman's axe.

26 To those who hold opposing
27 views, are accused of being self-serving which if the
28 benefits accrued Canadians -- to others than Canadian
29 citizens, additionally involves the selling out of
30 our national birthright. Without becoming embroiled

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in a lengthy argument on the advantages or otherwise of the development of Canada's resources under what conditions and by whom, it is suggested that our Federal Government is reasonably alert to the benefit and risks inherent in these matters.

While any of us as individuals may disagree with national policies, nevertheless, it is the responsibility and function of the government in our democratic society to develop and articulate what they consider an appropriate policy. Those who disagree with such a policy have their usual democratic rights at election time.

The main issues before your Commission therefore focus on the specifics spelled out in the terms of reference and should not become untracked into a debate on Canadian nationalism with respect to industry. In a similar vein, this brief is equally cynical when it comes to reasonably affluent southern based Canadians prescribing a continued sparse and stoic lifestyle for our northern citizens. It is obviously appropriate for northerners to speak for themselves in advocating a preferred way of life but it is less than relevant for these preferences to emanate from the south. It has already been argued the evidence exists that an insular prescription has failed to function elsewhere, notwithstanding the intent. Perhaps those who advocate such policies can be persuaded to document their cases with appropriate examples drawn from other parts of the world.

Mr. Chairman, I've been handed

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a note that my 20 minutes has expired.

THE COMMISSIONER: Carry on and complete your brief. I take it we're fairly close to --

A Yes, I've got one example using, I guess what a lot of people have done, the C.P.R. and then a conclusion.

Q Well, carry on.

A Thank you sir. The C.P.R., a historical precedent. The similarity of the deliberations Canada is facing with regard to the Mackenzie Valley Pipeline with a previous major project in this country's history, the Canadian Pacific Railroad, has been often noted. The C.P.R. linked the two coasts of North America north of the 49th parallel and ensured the west's inclusion in the nation.

The pipeline offers an opportunity to tie the north coast and the island archipelago lying beyond to the presently settled regions of the country and will facilitate continued northward integration, dispelling suggestions that the land areas extending almost to the Pole are anything other than Canadian. Each project involves the mobilization of industrial and financial resources which comprise a significant proportion of those available at the respective times in history. In both instances, frontier areas are brought within the scope of existing national infrastructure.

The socio-economic opportunities to become available to the inhabitants of the pipeline

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territory probably are not much different in the order of magnitude although the character of the opportunities is dissimilar, than was the case with the C.P.R. a century previous. The environmental effects on other than the human populations represent a major difference equipped as Canada now is with the knowledge to deal with these problems in this field, coupled with the fact that the pipeline will not produce the agricultural opportunities in the affected area due to climatic considerations.

It remains to be seen, if the pipeline development proceeds, whether the country can make satisfactory use of the environmental knowledge at our disposal. Perhaps the other differences between the projects will be the time span elapsing between the conception of the project and completion, which for the C.P.R. saw 16 years pass prior to completion. If the concept of the pipeline as a project could be said to have emerged in 1970, there still remains a few years before the year 1986 arrives.

In summary, few responsible Canadians would seriously challenge today the decision to build a C.P.R. as the country's first and all-important trans-continental link, although probably some, with the benefit of 100 years of hindsight might dispute that the terms have been appropriate. The benefits gained did not come without cost to our society, costs other than in monetary terms. Some of these costs were social and some environmental. The pipeline, if constructed will also have its share

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of costs. For that matter, most projects of major scope have some draw-backs. For example, one only has to recall the dislocation problem brought about by the construction of the St. Lawrence Seaway a few years ago when farms that had been in the hands of families for over 200 years, the United Empire Loyalists' descendants, were submerged under a water system.

Conclusion. The thrust of this brief has been that there are no sustaining reasons not to proceed with a Mackenzie Valley Pipeline. A pipeline poses no unique disadvantages to Canada beyond those which might normally be expected to arise in conjunction with a project of this magnitude. This position assumes that as a point of departure, Canada is or will be deficient in the energy required to fuel our national effort, a premise based on the findings of the National Energy Board and one to which dispute is beyond the scope of this brief and it is understood, your Commission.

However, if you find the pipeline is inappropriate, this brief would ask the question, what alternative energy transportation system is recommended? Without such an alternative, a recommendation against a gas pipeline presumably results in the cessation of the current western Arctic exploration, reversing recently announced government policies. While it is again outside the scope of this brief, it would appear that the problems posed by an oil pipeline in the Mackenzie Valley are not less than will be experienced with natural gas. In any event,

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a broadly based exploration effort designed to find hydrocarbons generally cannot be structured to favor gas over oil or vice-versa.

No attempt has been made in this brief to judge on the merits of one proposal over another amongst the several contestants for the right to build a gas pipeline from the north to southern Canada nor has any consideration been given to the merits of including or excluding Alaskan gas destined for the United States in one or more of these projects.

One further variation for a scenario to apply over the next few years involves a postponement of the pipeline construction for the intermediate period. It is difficult to appreciate what this will accomplish, given the willingness of the various pipeline applicants to proceed at their sole risk immediately. Canadians by this time should have the confidence of the regulatory bodies involved with grant construction permits only when they have reasonable assurances that the risks of accidents remains within acceptable bounds. That public opinion is finally tuned to environmental considerations is by now very apparent to our government.

With regard to the possible human socio-economic effects of a pipeline and this brief acknowledges some will take place, it has been argued that the gains produced by the pipeline project will probably outweigh the adverse effects. Notwithstanding this contention, it is hard to perceive in what

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manner the inhabitants of the area will be any better equipped to adapt to the inevitable changes in lifestyles five, ten or 15 years from now in view of the historical results of the past 50 to 100 years.

This presentation has been made by the undersigned as a private individual, one who has always lived in southern Ontario but one who considers he is not unmindful to the appreciation of Canada's problems, including those of our native peoples. It is firmly believed that no solution exists which will operate to the benefit of all interested parties. Some of them will deem themselves disadvantaged whatever the outcome. Considerable wisdom will be required in enunciating findings that, on balance, will serve Canada well.

Thank you sir.

MR. WADDELL: Mr. Commissioner,

I wonder if we could break now for coffee for ten minutes. Before we do, I should tell you that after coffee, we will hear from Mr. Charles Godfrey of People of our Plains and Mr. Matthew Edwards. We have additional names of people that have approached Mr. Roland and myself to give briefs if there is time and those included in the order that we have them, Garry Loeb, Joyce Young, Mrs. Ross of Thornhill United, Malcolm Davidson.

Could we break then for ten minutes sir?

THE COMMISSIONER: All right.

(SUBMISSION OF DOUGLAS C. MATTHEWS MARKED EXHIBIT

C-452;

(WITNESS ASIDE)

(PROCEEDINGS AJOURNED FOR A FEW MINUTES)

P. Scott

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: Well, ladies and gentlemen, we'll call our hearing to order and spend the time until five o'clock considering the briefs of those still on the list.

MR. WADDELL: Mr. Commissioner, I apologize, I left off a name or a party that was on our list and so I'm going to call him first. I'm going to call Mr. Patrick Scott of Ottawa -- or rather Toronto and Yellowknife, and then I'm going to call Mr. Charles Godfrey, and then Mr. Matthew Edwards, and some of the other people. I call first upon Mr. Scott.

THE COMMISSIONER: Go ahead.

PATRICK SCOTT, sworn:

THE WITNESS: Thank you, Mr. Commissioner. Mr. Berger, I'm pleased to be here before you in Toronto where I lived for 13 years before moving west and then moving north. I must say I'm a little uncomfortable on this side of the microphone. Fortunately, all the other cameramen have left. I feel much more secure behind the cameras instead of in front of them.

I chose to speak here in Toronto for a couple of reasons, mainly because I spent most of my life here and formed many of my attitudes and opinions, as an adolescent and as a student at Ryerson, where I started film production.

One of the things I want to make clear as I begin, both to you and to anyone who

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is listening, is that I'm an independent freelancer working on contract to C.B.C. and whatever I say does not reflect anything of opinions of the C.B.C., but only of my own.

I want to talk mainly about some of the concerns I've developed since being in the north and travelling with your Inquiry into the communities, about the impact of the media in the north. I think first of all I'd like to say that the concern I have is one of under-development in the area that I work. We've heard a lot about the development of the pipeline and industrial development, and I'm rather frightened and concerned about the impact that will come alongside with the development of the pipeline in terms of mass media, and I'm concerned because I don't see the impact of the mass media anywhere in North America as being a totally positive one, and that concern is further extended because in the north we have unique cultures with specific language groups, and they have very little opportunity to develop the skills to produce their own programming.

I'd like to quote from Andrew Cowan, former head of the Northern Services of C.B.C. in an article he wrote in January. He says:

"Television in the north is a luxury that has become an addiction, and it is now accepted as a necessity. It is the camel in the broadcasting tent, thanks largely to the demands of the white transients and to the government satellite policy. It seems hopeless to fight the effect

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upon northern audiences of television programs designed largely for sophisticated, middle-class affluent southerners with advertising that feeds the rising expectations of an inquisitive property-minded consumer-oriented society. The white transients in the north have been conditioned to these programs. Liquor and candy -- like liquor and candy, their immediate appeal is universal, and they are watched with interest by native peoples. But even if the latter become conditioned to them, what can they do -- what can the programs do for them in the present economic cultural and social position? The fight against the passive brain-washing of television seems as hopeless in the north as it is in the south."

I'm referring to this issue because I would like to suggest that if within the realm of possibility you could consider this problem within your report, as you consider the social impact of development in the north, I think you would be doing the peoples of the north a great service because I see the impact of media as a subtle erosion of a way of life.

Harvey Cox, in his -- one of his latest books,

"The Seduction of the Spirit," refers to the television as a contemporary religion of our society. It is the altar in each family's home. In older cultures there was a religious altar; today

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we turn to the television for our form of information, for our form of edification, for in a sense our religious practices, our family gathers around the T.V. too, and there we learn.

Terry Ryan, the general manager of the Dorsett -- Cape Dorsett Art Co-Operative in the Northwest Territories, when he was asked what he felt the effects of television had been in the north, he said,

"It's another attack on the culture, and a pretty all-encompassing one. I think television is very influential. Prior to television you had to physically pick up a magazine in order to become aware of something that was part and parcel of the southern culture. Now it's visual, it's right here, assailing you day and night."

Of course, good television might not be so bad; but good television to you isn't necessarily good television to the Eskimos, and I think good television for the Eskimos would be something that comes out of their culture. That really isn't too much to ask.

The only way it's going to come out of their culture and out of the Dene culture is for people who speak their language primarily to develop the skills to produce the programs; and right now there is no vehicle for that to happen.

C.B.C. does on a regular basis five minutes of programming which refers to this Inquiry's

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programming in television in the different languages. That isn't enough. When the secretary -- when the Treasury Board sees fit to allot to the Public Broadcasting Corporation (C.B.C.) in the neighborhood of \$25 million to cover the Olympics and finds it impossible to extend funding to the C.B.C. Northern Services to carry on the coverage of the Inquiry after ^{its} original scheduled finish date, I don't understand the priorities of the government. We're talking about people.

THE COMMISSIONER: You don't agree with them.

A I don't understand them either. I don't understand that kind of mentality because the Olympics is a two-week event, and no, I don't agree with them either, whatever they are.

There's something much more important happening in the north, and I feel very fortunate in having had the opportunity of being a transplanted southerner, having the opportunity to live in the north and travel into the communities and listen to the people and listen to their concerns. I remember Phoebe Nahanni saying in Fort Simpson, in her home town -- and for those who don't know Phoebe Nahanni, she's a Dene woman who works with the Indian Brotherhood -- and she said,

"It's unrealistic to think that their culture will survive if the pipeline and the pending development that goes with it goes ahead."

I agree with Phoebe, and I don't want to be part of that destruction of that way of life because I've seen

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1 it in a very limited way, and I've listened to the
2 people and watched the people in their lives, in their
3 own communities and I think about a place like Toronto
4 where we live in high-rises and we live in what
5 frequently is called a concrete jungle, and we know
6 that we don't like it, and we run to our cottages
7 in Muskoka, Haliburton, and we run to the Gatineau Hills
8 for skiing, and we run out to the Rockies for skiing,
9 and we run to Bermuda and Florida and Hawaii and
10 every other place where we can find what we have in
11 the north,^{and} what the native people have in the north
12 and want to continue having.

13 Somehow we, in our rushing
14 around, fail to realize that it is us that is taking
15 that away from them. When we talk about the right
16 of a native land settlement, to me the question is
17 it's not their right, that's understated. What right
18 do we have to take their land away? What right do we
19 have to destroy their culture? There's been a word
20 used, "genocide" on the native people, we're in a very
21 subtle way practicing genocide as a nation. It's not
22 intentional but it's a politicized word and it's an
23 ugly word; but sometimes when I think about it, and
24 when I listen to the native people and know them
25 personally and see their frustration,

26 I'm afraid that I have to
27 come to the conclusion that we are destroying them.
28 We live in a way that we say we need the energy, we're
29 in an energy crisis, and then we fail to acknowledge
30 the excesses we have. As an example, this hotel with

1 heated floors in the bathroom so your feet don't get
2 cold when you get up in the morning. That's so absurd,
3 it's so inane, and we're willing to live with that and
4 at the same time we're willing to live with the
5 knowledge that in doing that we're taking something
6 away from someone else that doesn't belong to us but
7 belongs to them. I can't condone that. I can't agree
8 with it. I despise it.

9 I understand the kind of frustra-
10 tion which would -- or I appreciate, I don't
11 fully understand -- that would cause someone like
12 Nelson Small Legs to do what he did a couple of
13 weeks ago.

14 I don't have very much else
15 to say, your honor, other than I hope that the work
16 you've done this past year and a half will not be
17 wasted by superficial needs, by superficial demands,
18 and by the incredible politics which goes on in
19 every nation amongst the various interest groups.

20 The corporations have the
21 power because they have the money. The native people
22 don't have money, they have lives that are worth
23 living and a way of life that is worth preserving.
24 If that way of life is destroyed because of our
25 excesses; I've never wanted to live in the States
26 but I certainly won't want to live in Canada either.

27 To finish I'd like to quote
28 Phillip Blake's statement, part of his statement from
29 the Fort McPherson hearing when we were there. He said:

30 "If we live in any kind of democratic system

P. Scott

1 there would be no further talk of ^a pipeline.
2 The will of the people has been made very
3 clear. If the will of the people is not
4 respected, then I appeal to you and all
5 the people of Southern Canada to respect
6 and support us in our efforts to re-establish
7 democracy and democratic decision-making
8 in our homeland."

9 I guess the question for
10 Southern Canada is simply, "Which side are you on?
11 Are you on the side of the people trying to find
12 freedom in the democratic tradition, or are you on
13 the side of those who are trying to frustrate our
14 attempts to find freedom, and who instead are trying
15 to destroy the last free Indian nation?"

16 Just as a final comment, I've
17 met many of the people involved in the two applicant
18 companies, and many of them are very fine people, and
19 as you have said frequently during these southern
20 hearings, they hold different views, they come from
21 different places. I only hope and pray that some
22 kind of a human sane solution can be discovered and
23 that we can take the time and that we can have the
24 respect to allow a way of life, a people to live
25 regardless of what it costs in an economic sense.

26 Thank you.

27 (WITNESS ASIDE)

28 MR. WADDELL: Mr. Commissioner,
29 our next brief is from Mr. Charles Godfrey.

C. Godfrey

CHARLES GODFREY, sworn:

THE WITNESS: Sir, I am speaking today, sir, as a representative of People or Planes, which is a citizens' organization located primarily in the eastern area of the city, but having representation across pretty well all of Metro Toronto.

From bitter experience, People or Planes is very much aware of the tendency of government to become a promoter of projects rather than a defender of the public good. More specifically, we know how iniquitous it is to shoot first and ask questions of the public to be affected after the project has been started, whether the public are the natives of the north or whether they're primitive men of Pickering, this applies equally.

In June of 1975, annual report of the Science Council of Canada, Chairman Roger Gaudry, cited,

"The role played by two federal agencies, the Ministry of Transport in promoting the Pickering Airport and the Department of Indian & Northern Affairs in promoting the Strathcona mining venture on Baffin Island,"

as good examples of this type of activity.

We endorse Mr. Gaudry's remarks -- further remark that:

"Information lies at the heart of all decision-making and the automatic denial of access to relevant information which has been a traditional stance in the face of protest groups does not seem

1 to make a reasonable or defensible policy."

2 Our experience of four years
3 of denial of access to all information (which was
4 publicly funded, by the way) to say nothing of the sham
5 either through terms of reference or lack of suitable
6 funded input from all sides, sham-type enquiry leads
7 us to warn this Commission that it may well now be
8 looking into a matter that could be described as "now
9 that there is to be a Mackenzie Pipeline" rather than
10 "what if there is to be a Mackenzie Pipeline?"

11 We commend the Science Council's
12 advocacy of a conserver society as opposed to a consum-
13 er society; and we commend to you our view that
14 society must take a long, slow and careful look at
15 such projects as pipelines.

16 Certainly our national policy
17 and our provincial policy have failed in the develop-
18 ment of alternate energy production facilities. In
19 proceeding with a pipeline we are committing ourselves
20 to a major capital investment which is dedicated to
21 oil as the source of energy. A serious consideration
22 must be given to that type of commitment to an energy
23 source which depletes national resources and may
24 well be finite.

25 In our Province of Ontario
26 which is one of the major consumers of energy in
27 Canada, this source of energy will represent added
28 expense to our industrial and domestic costs. Is it
29 not wise to put in context the possibility of develop-
30 ing recycling facilities which would reduce the need for

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oil as a source of energy? The recycling of garbage into energy is no longer an experimental matter. In several areas throughout the world it is now feasible and economic to produce energy from garbage by pyrolysis or other types of garbage treatment. Yet nowhere in our province do we see a concentrated effort to bring this type of energy production on line. Garbage is still dumped into open fill sites and lost to the country. Heat which is generated by burning garbage is allowed to escape to the atmosphere and lost to our purpose. Heat which is generated in the production of electricity by, for example, the nuclear power plant at Pickering, is dumped into the lake.

In Hamilton we do have a solid waste recovery unit incinerator which was constructed by that city. It is essentially a garbage disposal unit and the steam which is generated as a by-product of the disposal simply cannot be sold at a profit due to poor design and siting of the unit.

The Watts from Waste Project in Toronto produces relatively little electricity compared with the energy which is available from the garbage. In addition, ^{there} is a cumbersome method of pulverizing garbage at another site, trucking the garbage to the Hearn Plant with a consequent net loss of energy over the long run.

These are examples of tokenism in the production of energy which we are employing at present to meet the growing demand for the production of alternate energy sources. Yet in contradistinction

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1 in Amese, Iowa, there is a municipally owned power
2 plant which uses refuse derived fuel and can produce
3 this at a net profit with less necessity for the use
4 of oil as a prime energy source. The same story is seen
5 in many other areas in the United States -- Milwaukee,
6 Akron, Baltimore, with many other units scheduled
7 such as in Palmer, Pennsylvania, and San Diego. In
8 St. Louis the municipality, Union Electric and the
9 Environmental Protection Agency are operating a unit
10 which consumes some 6,000 tons daily with production
11 of energy and saleable materials.

12 This pattern is even more
13 developed in Sweden.

14 Commitment to the pipeline
15 with its massive expenditure of funds denies those
16 same funds towards the development of alternate
17 energy production units. These units can be brought
18 on line at approximately \$15 million each, with a
19 tremendous long-term saving in energy dollars and at
20 the same time a solution of the mounting waste
21 problem in our society, and preservation of food
22 land which is used for dumping garbage.

23 We view with suspicion
24 the failure of our government to develop an energy-
25 production source which uses waste. This suspicion
26 is closely associated with our experience in the past
27 in fighting the air transport Junta which inhabits
28 the Ministry of Transport; then the query arises
29 as to whether there is a similar oil oligarchy
30 which wheels and deals in our government.

C. Godfrey
M. Edwards

1 Because of our experience
2 in dealing with government and airport placement
3 agencies, we recommend that all northern development
4 be postponed until there is a full assessment of
5 the possibilities for the development of energy from
6 sources such as we have mentioned which have been
7 proposed in the past by the self-same Science Council
8 of Canada.

9 These major economic consider-
10 ations must be put in context with the concern we
11 have that the views of our native people have not
12 been fully represented nor fairly considered and
13 we have not reached a mutually acceptable conclusion
14 to the native land settlements.

15 We urge the postponement
16 of the Mackenzie Valley Pipeline until all the
17 factors concerning energy production have been given
18 a fair hearing, which means sufficient and suitable
19 consideration of the energy potential in that which
20 we bury. Thankyou.

21 (SUBMISSION OF PEOPLE OR PLANES - C. GODFREY -
22 MARKED EXHIBIT C-455)

23 (WITNESS ASIDE)

24 MR. WADDELL: Judge Berger,
25 our next brief is from Mr. Matthew Edwards. Mr.
26 Edwards?

27
28 MATTHEW EDWARDS, sworn:

29 THE WITNESS: Justice Berger
30 and Commissioners, I'd like to thank you for the

M. Edwards

1 opportunity to appear at this hearing.

2 I'm a bio-chemistry student
3 and I would like to talk about some techniques
4 which can be used to protect northern wildlife
5 from harmful effects of the pipeline and to manage
6 northern animal resources.

7 The principal method that
8 I'd like to discuss is tele-stimulation. Tele-stimula-
9 tion is well-established in research studies in
10 animal behaviour. Basically, the animals in these
11 studies carry small devices which are activated upon
12 the reception of a radio signal from a distant
13 location. For example, radio stimulation has been
14 used to activate a device which injects a chemical
15 into the blood-stream of a subject animal. It has
16 also been used to activate a transmitter carried
17 by an animal which can communicate various bits
18 of physiological information such as heart rate.
19 The equivalent used in these receiver-stimulators
20 is often model airplane control equipment which is
21 readily available. How does stimulation apply to
22 the pipeline? It can be used to ward animals away
23 from locations where they would be vulnerable. These
24 would include such points as garbage dumps, camps,
25 compressor stations, and roads where hunting pressures
26 would be high. As an illustration, let us consider
27 the garbage dump problem.

28 Bear, wolves, wolverines and
29 other animals are attracted to garbage dumps. The
30 bear problem is well-known across Canada. Let's say

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1 a bear has arrived at a dump. You anesthesize him
2 by usual dart-gun method and fit him with a device
3 that provides an unpleasant stimulation whenever the
4 bear is close enough to receive a signal scent from
5 a nearby radio transmitter.

6 What would be the nature of
7 this stimulation? It could be many things, but the
8 best would probably be the release of an offensive
9 odor such as skunk oil, which is already obtainable
10 in sizeable quantities. If a solution of skunk oil
11 is stored in a small cannister under pressure, then
12 a magnetic switch can be triggered by radio to
13 release a small amount of repellant as a spray.

14 Now if the transmitting
15 antenna is located near the garbage dump, the bear
16 would receive a dose of repellant whenever he comes
17 within range of the dump. The device could contain
18 an element that ^{would} give the animal some time to move
19 out of range before the next dose is delivered.
20 The animal would thus learn to avoid the garbage
21 dump.

22 Furthermore, if the same
23 signal is sent out from other transmitters placed
24 at other areas of human activity, then the bear
25 would be sensitized to all of these areas. The
26 procedure would be required only once per animal to
27 immunize that animal against a variety of hazards.

28 This system permits a great
29 deal of flexibility. The transmitters could be made
30 mobile, perhaps attached to a vehicle. Thus all

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1 areas of surveying and construction can be made
2 off-limits to animals who have devices. In appearance
3 the receiver stimulator and the repellant cannister
4 would probably be attached to a collar around the
5 animal's neck, as in the familiar radio tracking
6 operations. If designed properly, the animal would
7 not associate the bad odor with something he was
8 carrying, and would thus not try to dislodge the
9 device. The power requirement for the device is
10 substantially less than that required for radio
11 tracking operations, in which the animal carries a
12 power-consuming transmitter. Since bears have been
13 tracked for over one year with one battery, the device
14 I am proposing would likely last for many years.

15 What would be the cost of
16 such a system? I cannot provide an estimate, but
17 the following points can be made.

18 1. As I have mentioned, the equipment is not complex
19 and certainly less expensive than other electronic
20 methods used by the Canadian Wildlife Service in
21 animal studies.

22 2. Consider the cost of alternative procedures.
23 Transporting polar bears by plane can be very expen-
24 sive.

25 3. This method could have wide application in other
26 countries where animals are endangered and where
27 existing methods for protection are insufficient.

28 There are hundreds of endangered species that could
29 be protected electronically. Very few of these
30 countries are in a position to develop this type of

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1 procedure. Canada could thus provide a useful service
2 in this area.

3 4. Finally, tele-stimulation can be applied
4 directly to the management of animal resources in
5 the north.

6 I wish to describe in some
7 detail methods that might be used for caribou and
8 muskox.

9 First, caribou. The guiding
10 principle behind the method for caribou management
11 is that by putting devices on a small number of
12 caribou, the movements of a larger number can be con-
13 trolled. We might have the following setup. A village
14 or station would serve as the central hub of a system
15 of transmitting beacons similar to those that would
16 be used at garbage dumps. The beacons would be
17 strung out in lines radiating from the central
18 village, like the spokes of a wheel. If a caribou
19 equipped with a receiver-stimulator approaches any
20 of these beacons, he will receive an unpleasant
21 stimulation, probably once more in the form of an
22 offensive odor. The beacons thus serve as an
23 invisible fence that can be extended for great
24 distances. When a caribou enters the region between
25 two lines of beacons, he will be progressively
26 deflected towards the village. The area controlled
27 by one village could be a circle 40 or 50 miles in
28 diameter, and I've constructed a crude visual aid
29 to show what I mean here.

30 Here is the village here, this

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1 circle in the middle. Here are your lines of
2 beacons extending out from the centre, and here
3 is a caribou coming, these red lines coming in
4 and being deflected by these lines towards the
5 centre, and this whole area would be -- say could be
6 of an indefinite width, but could be many miles,
7 40 or 50 miles.

8 I'll just show it to this
9 side. This is the village, here are the lines of
10 beacons, and here are the movements of caribou
11 being governed, once they've come in from the outside,
12 in toward the centre.

13 These invisible electronic
14 barriers function in the same way as the fences
15 used by natives prior to the introduction of fire-
16 arms. The primitive fence was made of pieces of
17 wood placed in a line. Caribou, reluctant to cross
18 such lines, would steer towards ambush points and
19 snares. In the modern caribou station, animals would
20 be directed to an enclosure and similarly trapped.
21 The success of this technique depends on the herding
22 behaviour of caribou. The animals who are first
23 captured and equipped with devices in the wild,
24 will be directed in towards the village by the
25 beacons, drawing with them some animals who do not
26 carry devices. These animals will then be equipped
27 and released and would themselves draw additional
28 animals in towards the village. Gradually a sizeable
29 percentage of the herd would be equipped with
30 devices, perhaps 10 to 15%. Animals drawn into the

1 village by this 10 to 15% can then be taken for
2 meat and skins and whatever.

3 Electronic control of caribou
4 herds has many advantages over present methods. It
5 would provide a high level of stability to northern
6 communities. A yearly supply of caribou is assured
7 with radio control, whereas present communities can
8 pass a year without seeing a caribou. The problem
9 of transporting meat and skins from the field to
10 the village is overcome since the animals bring
11 themselves in. With the stability of this method,
12 the efficiency of use of the caribou can be increased.
13 All of the meat and skins can be used.

14 O.K., muskox. Present attempts
15 are being made to domesticate muskox in Alaska and
16 Canada to make use of the heavy coat that these
17 animals shed each year. Tele-stimulation could be
18 used to keep muskoxen within a certain territory.
19 The technique involves a graded stimulation that
20 increases as the animals move away from a central
21 point, presumably the structure where the hair or
22 fur will be collected. It might even be possible
23 to signal the animals to come to the shed themselves
24 in order to avoid an unpleasant stimulation.

25 Tele-stimulation thus ranks
26 as a tool of powerful potential in the north. It
27 can be used both for the protection of endangered
28 species, and for the management of animal resources.
29 I would suggest that the priority lies in animal
30 protection. Tele-stimulation provides us with an

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inexpensive method of treating individual animals on an on-going basis, while it protects animals from the hazards of man it allows them complete freedom to roam their natural domain. Think of the endangered species in Canada and the world who might benefit from this procedure.

My major recommendation to this Commission is to take a close look at tele-stimulation, to obtain the opinions of biologists and electronic technologists, and to authorize the necessary studies to be done. It is not impossible to have these devices constructed and tested in the field before the final report of this Commission is written.

I would like to finish with a suggestion for the protection of marine life. Basically in the event of a major oil spill or blowout, I propose an evacuation of the polluted area. Since fish are critical food species in the Arctic marine biota, any measure that moves fish away from an advancing oil front will have the effect of moving other species away as well, as they pursue the fish. The technique would involve the placing of oil-detecting sensors at drilling platforms and at buoys located throughout the parts of the Beaufort Sea that would likely see oil in a blowout or spill. The sensors could be located at surface, intermediate, or bottom levels, suspended from the buoys. When oil is detected at a sensor, a loud or disturbing sound could be triggered from

1 a nearby alarm. If sufficiently loud, at the correct
2 frequency for the hearing of fish, they would move
3 out of the area. The alarm would be continued until
4 the oil levels returned to safe.

5 Since the underwater
6 sonic alarm and censor are positioned together,
7 only the area contaminated with oil is evacuated.
8 At a higher frequency, dolphins, whales and seals
9 would also be subject to sonic vibration and would
10 choose different waters. For these animals there
11 would be two forces encouraging movement away
12 from the spill, the irritating sound and the scarcity
13 of fish which they feed on.

14 The second recommendation
15 I wish to make to this Commission is to set up a
16 committee to receive ideas and co-ordinate research
17 in special tactics which might be used to protect
18 wildlife if the pipeline is built.

19 In conclusion, we must be
20 as active and as imaginative in the defence of
21 northern species as those who wish to build this
22 pipeline. Thank you.

23 THE COMMISSIONER: I think
24 I'll just remind the two pipeline companies, Arctic
25 Gas and Foothills, that they might wish to pass on
26 Mr. Edwards' ideas for consideration by their own
27 experts, and I see Mr. Hemstock -- at least I did
28 see Mr. Hemstock here.

29 MR. WADDELL: He just went to
30 the phone booth.

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G. Loeb

1 THE COMMISSIONER: And Dr.
2 Pimlott, of Canadian Arctic Resources Committee is
3 here and I have no doubt he will take this theory of
4 tele-stimulation under consideration.

5 So thank you, Mr. Edwards,
6 wherever you are.

7 (WITNESS ASIDE)

8 MR. WADDELL: Mr. Commissioner,
9 Mr. Edwards made reference to a chart and we're going
10 to mark that as an exhibit.

11 (CHART BY M. EDWARDS MARKED EXHIBIT C-454)

12 MR. WADDELL: I call upon --
13 we have time for another brief -- I call upon Mr.
14 Garry Loeb.

15
16 GARRY LOEB, affirmed:

17 THE WITNESS: Mr. Commissioner,
18 I'm very pleased to have the opportunity to present
19 this brief to you. One of the beauties of this
20 Inquiry is that it gives concerned citizens a chance
21 to make their views known.

22 I have chosen to speak to
23 you not as a member of any organization or group, but
24 as a person who cares about the north and its people.
25 Mr. Commissioner, I have followed the progress of
26 this Inquiry throughout the country and read of the
27 evidence given by many witnesses. Through this often
28 confusing deluge of information and counter-informa-
29 tion I have become sure of one thing: That as yet
30 there is no adequate proof for the need to build

G. Loeb

1 a Mackenzie Valley Pipeline. Thus far the reports
2 in favor of construction have come from groups whose
3 motives are, to say the least, highly suspect.

4 An evaluation of existing
5 resources and thoughtful examination of possible future
6 needs by an objective body would seem to be an intelli-
7 gent, logical and necessary next step. It would aid
8 in ascertaining whether or not such a vast project
9 is feasible and/or desirable. We really don't know yet
10 and until we do it would be tragic to ^{push} blindly ahead
11 when so much is at stake.

12 It made me glad to share
13 your trip down the Mackenzie River before the beginning
14 of the Inquiry's hearings in the north. A friend of
15 mine made the same trip two summers ago, and has
16 shared the beauty and sadness of what he saw with me.
17 I am a canoe-tripper and a back-packer, and have spent
18 much time in the wilderness places of this and other
19 provinces. During the past summer I canoed down the
20 Yukon River, meeting many of the people who live along
21 it and on the land of that territory, which will also
22 suffer if selfish and thoughtless development comes
23 to the north on a larger scale.

24 By no means am I an expert,
25 but I feel I know something about the wild places,
26 enough to care about them and to be shocked and worried
27 about the plans that threaten them.

28 Once a person appreciates these
29 places he must also admire the way of life of the
30 people who dwell there, and who have for thousands of

1 years. I have been following the affairs of Canada's
2 native people for some years now, and I am ashamed at
3 the record of our government, large corporations and
4 even of average Canadians in this area.

5 It is no wonder that native
6 people are hesitant to trust the white man. I am
7 revolted by the behaviour of the Quebec and Federal
8 Governments during much of the James Bay tragedy which
9 finally saw the Cree and Inuit of that province pushed
10 into a corner where they could only take what was
11 offered. It is my fear that this will happen again if
12 we are not careful. I am further angered and worried
13 when the Minister of Indian Affairs and Northern
14 Development calls the Dene Declaration "gobbledygook",
15 and whose government has said that it may not wait
16 for the report of this Commission before the decision
17 to build is made.

18 Yet the very existence of
19 this Inquiry gives one reason to hope against hope
20 that good sense will prevail. The land of the north
21 still belongs to its first inhabitants and if the
22 white man wishes to use it, he must deal honorably
23 with its owners. Manifest destiny must finally and
24 firmly be laid to rest. A chance now exists to right
25 the wrongs of the present, if not of the past, and to
26 set a precedent for co-operation and honesty in our
27 future dealings with native people -- something that
28 is long overdue.

29 I hope you have not thought
30 me presumptuous in presenting this. I feel that

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1 individuals have a responsibility to speak out against
2 injustice, whether it concerns land or people. It is
3 my hope that you will recommend that further study
4 be done before a decision is made, and that if a
5 pipeline is deemed to be absolutely necessary, that
6 native land claims will be dealt with before con-
7 struction begins with a view to reaching a just
8 settlement that would include native partnership
9 in all northern development.

10 I trust your honesty, sir.
11 and your sense of fair play, and I hope your recommen-
12 dations will be heeded.

13 Thank you for your time. I
14 wish you well.

15 (WITNESS ASIDE)

16 MR. WADDELL: Mr. Commissioner,
17 you heard me say earlier that we had additional names,
18 additional briefs that wanted time, or people that
19 wanted time. We've heard from one of them. I think
20 I'm afraid we don't have any extra time this after-
21 noon, and I believe there are some comments from the
22 participants.

23 MR. SCOTT: I understand,
24 Mr. Commissioner, that of the participants who are
25 here, Dr. Pimlott wishes to exercise his right to
26 comment on the briefs for ten minutes, or up to
27 ten minutes.

28 I should indicate to the
29 persons present that Dr. Pimlott represents the
30 Canadian Arctic Resources Committee, the environmental

Dr. D. Pimlott

1 consortium that participates regularly in the formal
2 hearings at Yellowknife.

3
4 DR. DOUGLAS PIMLOTT, resumed:

5 THE WITNESS: Mr. Commissioner,
6 at Winnipeg I referred briefly to some aspects of
7 the energy equation and I think that the hearings in
8 Toronto have again brought some of the important
9 elements of that to the foreground, and I'd like to
10 briefly talk to one point that has been brought to
11 your attention on a number of occasions, and at least
12 twice today, and that's sort of -- and I think I
13 could refer to it as a conservation and environmental
14 viewpoint on the need to inventory petroleum resou-
15 ces, and I think that reference to this could sort
16 of be sub-titled "The dilemma of the petroleum
17 solution to short-term energy needs."

18 I have been in aspects of
19 ecology and management for a long time and it's
20 difficult to quibble with the need to inventory a
21 resource, as a basic process in forestry and fish and
22 wildlife management, in agriculture, and in all of
23 these cases inventory is essentially a neutral process
24 that's absolutely vital to the resource. Mr. Gillespie
25 has referred to this need on a number of occasions and
26 it's referred to in the new document on national
27 strategy -- national energy strategy for Canada.

28 But as I said, inventory in
29 these cases is done by government agencies and it
30 does not effectively pre-dispose of what will happen

1 to the resource; but this is the area in which it's
2 entirely different as far as petroleum resources are
3 involved. Petroleum is inventoried by industry, it's
4 a very costly process, and immediately substantial
5 reserves are found they must be developed.

6 In the 1973 presentation to
7 the National Energy Board, one of the points that was
8 made by Imperial Oil was that it was tantamount to
9 development of energy sources that reserves be pro-
10 duced quite quickly after they were identified. So
11 part of this dilemma in a short-term sense is that
12 if we did make elephant finds in the Beaufort Sea,
13 they would predispose the whole national picture to
14 looking for this short-term solution in the use of
15 these energy resources; and last night you had that
16 effective presentation by Energy Probe discussing the
17 possibility of alternative sources, the possibility of
18 using waste sources, and the need for conservation.

19 But if we were able to work
20 to this solution and if we did work very effectively
21 and succeed in finding these major resources, I think
22 that there is a real danger that the long-term inter-
23 ests of Canada would not be well served. It seems
24 an incredible thing to say, but I think when you see
25 and look at the way that petroleum resources are
26 found, the need to recover capital and then the
27 capital requirements for economies in scale of
28 transportation indicates that this is far from a
29 neutral process and wherein many doubts are raised
30 about Canada's capability of coming to terms with long-

Dr. D. Pimlott

term renewable sources if we seek ^{our} short-term solutions simply through the petroleum route. That's I refer to why/this as the dilemma of the petroleum solution to Canada's energy needs on a short-term.

Thank you.

THE COMMISSIONER: I see your point. You're saying that if we were to discover large volumes of petroleum in the Beaufort Sea, it would distract us from examining alternate solutions to our long-term energy needs. I take it that's the point?

A Yes, that's the basic point because as I know I have said before, before your Commission that I consider -- and as others have said -- this great need to consider petroleum resources both for petrochemical feed-stock and as the basic resource for fertilizer production, and I fear that if we are to satisfy this apparent national need, to meet the short-term, to get a short-term solution this way, that it will have a serious effect on our longterm resolution of the energy problem as far as Canada is concerned.

I think that this is a kind of message that the conservation and environmental organizations we represent would want to have made at this time, because it's so attractive to look for this short-term solution but it does pose a very large dilemma.

(WITNESS ASIDE)

MR. SCOTT: Mr. Commissioner,

1 that concludes this afternoon's activities, and we'll
2 resume, if you please, at eight o'clock tonight.

3 THE COMMISSIONER: All right.

4 I think I should just say to counsel that Mr. Veale
5 of the Council of Yukon Indians made a motion
6 before we left Yellowknife, and he was supported by
7 Foothills and others, urging that the Inquiry hold
8 hearings in the Yukon to consider the impact of the
9 proposed Fairbanks pipeline.

10 I have received a letter from
11 the Yukon Chamber of Commerce supporting the Council
12 of Yukon Indians. I'll bring the letter down and
13 let you all have copies of it this evening, and I
14 would be prepared to rule on the whole matter tomorrow
15 rather than wait till we return to Yellowknife so that
16 you can be aware of my present view as regards to
17 the way the matter should be disposed of. That's
18 only subject to this, that if we can telex whatever
19 my ruling is to Whitehorse concurrently with its
20 delivery here as a matter of courtesy so that they
21 know what I've said without relying on what might be
22 fragmentary evidence over the radio. I think that's
23 all.

24 So we'll adjourn till eight
25 o'clock tonight.

26 (PROCEEDINGS ADJOURNED TO 8 P.M.)
27
28
29

1 (PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

2 THE COMMISSIONER: Ladies
3 and gentlemen, we'll call our hearing to order this
4 evening.

5 The Mackenzie Valley Pipeline
6 Inquiry is holding hearings in the main centres of
7 Southern Canada to consider the representations that
8 people like yourselves have to make about the vital
9 issues of national policy that lie before us all.
10 As you know, two companies, Canadian Arctic Gas and
11 Foothills Pipe Lines, are competing for the right to
12 build a pipeline to bring natural gas from the Arctic
13 Ocean to markets in Southern Canada and the United
14 States.

15 The Federal Government has
16 appointed this Inquiry to consider the social, economic
17 and environmental impact that the building of a
18 pipeline would have in Northern Canada.

19 Now the Federal Government
20 has made it plain that we are not to consider this
21 proposed gas pipeline in isolation. The Federal Govern-
22 ment takes the view that we should proceed on the
23 assumption that if a gas pipeline is built, an oil
24 pipeline will follow. So we are examining an energy
25 corridor from the Arctic to the mid-continent.

26 The Inquiry has been holding
27 formal hearings in Yellowknife for many months and
28 there we have been considering the evidence of the
29 experts, the scientists and engineers, the biologists,
30 the sociologists, and anthropologists, the economists,

1 people who come from the industry, from government,
2 from the universities, who have made it the work of
3 their lifetime to study the north and northern peoples,
4 and the northern environment. At those formal hear-
5 ings in Yellowknife representatives of all parties
6 have the opportunity to challenge what is said by
7 any of these experts, and to cross-examine them.

8 At those hearings the two
9 companies, Arctic Gas and Foothills, are represented
10 by counsel. The native organizations are also repre-
11 sented by counsel. The environmental organizations,
12 which are led by Canadian Arctic Resources Committee,
13 are represented by counsel when the Inquiry is con-
14 sidering environmental questions. The Northwest
15 Territories Association of Municipalities is represented
16 now that we are considering the impact that the
17 building of a pipeline and the establishment of an
18 energy corridor would have on northern municipalities,
19 and the Northwest Territories Chamber of Commerce,
20 which represents northern business, will be represented
21 when we return to Yellowknife next month to consider
22 the impact on northern business.

23 So we are considering a
24 great many issues, having to do with the northern
25 environment, the northern economy, but most important
26 of all, northern people.

27 In the Mackenzie Valley, the
28 Mackenzie Delta and down the perimeter of the Beaufort
29 Sea and in the Northern Yukon we have four races of
people -- white, Indian, Metis, and Inuit; and because

1 those are the people who will be most affected if we
2 proceed with the pipeline and energy corridor, the
3 Inquiry has been to virtually all of the communities
4 where those people live. We've been to 28 cities and
5 towns, settlements, villages and outposts in the
6 Canadian north, and there we have heard from more than
7 700 witnesses of all races who have told the Inquiry
8 and through the Inquiry have been telling the govern-
9 ment and telling all of us what their own lives and
10 experiences lead them to believe the impact of a
11 pipeline and energy corridor will be on them and on
12 their communities and in the north.

13 So we have spent 14 months
14 in Northern Canada holding hearings; and now we are
15 spending a month travelling to the main centres of
16 Southern Canada to consider what you have to say be-
17 cause it is, of course, the patterns of energy con-
18 sumption of people who live here in Southern Canada,
19 your own appetite for oil and gas that have given
20 rise to proposals to build pipelines from the Arctic.

21 That being so, we felt it
22 only right and given the multitude of requests we
23 had from all over Canada by people who wished to
24 make representations to the Inquiry, that we should
25 bring the Inquiry to the main centres of Southern
26 Canada.

27 I think that I should leave
28 it at that for now, and ask Mr. Waddell to let us
29 know who we'll hear first from this evening.

30 MR. WADDELL: Yes, Mr.

R. Broughton

Commissioner, I should say that our procedure is to hear from a number of briefs of people that have indicated to us before May 1st that they would -- that they were anxious to present a brief here tonight. After we have heard from that list, if we have some time we will try to fit in any additional briefs.

Our first brief tonight, sir, will be from the Canadian Friends Service Committee, the Quaker Committee for Native Concerns, Mr. Richard Broughton.

Mr. Commissioner, as with our witnesses in our northern hearings, we will ask the witnesses here tonight to swear or affirm before they give their briefs.

THE COMMISSIONER: Yes, sir?

RICHARD BROUGHTON, sworn:

THE WITNESS: Thank you, Mr. Commissioner. Since I am called on to speak first, I would like to thank you for your opening remarks and on behalf of all of us, for the opportunity of presenting our points of view.

In this particular case, my brief on behalf of the Quaker Committee for Native Concerns is of a general nature and it isn't technical and I would like to go ahead and read it accordingly.

"The earth is the Lord's,
and the fullness thereof."

Any study of the Bible will reveal how many times this sentiment is repeated, in

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different ways, but always stressing that the earth, the ultimate resource, is meant to be shared among all the creation and today our modern concepts of land ownership, by either states or individuals, require reconsideration in that light.

We have stood by with misgivings while the provinces have developed large hydro resources on the Columbia and Peace Rivers, and while vast tracts of land near James Bay and the Nelson River are scheduled for changes so vast we cannot envisage the consequences with anything less than profound dismay and alarm.

We do not believe that the consequential damage to the way of life, the environment and the ecology of those living in the Northwest Territories is justifiable for the short-term benefits of a pipeline, and we urge upon the Federal Government the duty to set others a good example by respecting the native people's concepts of the inviolability of mother earth.

We appreciate that energy is now very expensive and new sources of energy are hard to come by, but now is the time for a last stand against monetary opportunism.

Canada is fortunate in having vast spaces of territory, but we ask the government to believe these last resources should be used for the benefit of all mankind and not for the narrow benefit of a privileged few. We therefore take the side of the native people of this land, not because

R. Broughton

1 we believe that the land belongs to them, but because
2 we believe that the pipeline would be nothing better
3 than a misuse of the land upon which they are entitled
4 to live, and which in their centuries of occupation
5 they have never destroyed but kept for us all in
6 perpetuity and in trust.

7 It is impossible to guess the
8 damage that may be done by oil spills, but we do know
9 that they occur so frequently that the wreckage of a
10 tanker in Spain this month, spilling 70,000 tons of
11 oil, hardly makes the news, let alone the headlines.

12 The damage of these incidents
13 is cumulative and the seas are in serious danger.
14 Climatic changes are certain following the completion
15 of the James Bay project. These developments do little
16 or nothing to improve our desperate unemployment, and
17 Goldsmith's lines come to our minds:

18 "Ill fares the land to hastening ills a prey
19 Where wealth accumulates and men decay."

20 We therefore object to the
21 pipeline and to northern development generally on the
22 grounds that they are dangerous, non-productive, and
23 opportunistic.

24 It is a far cry from Ottawa,
25 Toronto and Montreal to the tundra of the north, and
26 therefore the bulk of our people tend to be apathetic,
27 on the grounds that they cannot be concerned with
28 what is proposed. It is, however, the duty of the
29 government with the good of its people at heart to
30 make a stand against this sort of development and not

R. Broughton
M. Abramsky

1 to support and condone it.

2 You, Mr. Commissioner, have
3 had the benefit of close contact with the north and
4 its people, and we believe you have reached some of
5 the conclusions as set forth in this brief. We there-
6 fore request the Commission to remember its contacts
7 with the north and to adhere to broad principles for
8 the benefit of our people, not of those who may seek
9 to exploit any part of them, particularly since the
10 people most vitally concerned are generally inarticul-
11 ate and not equipped to defend themselves from the
12 encroachments now suggested as beneficial in the name
13 of energy, but malignant in the name of the best of
14 our long-term interests, and particularly so to those
15 generations ^{who} succeed us, because surely it is of
16 them and not of ourselves for whom we should be most
17 concerned.

18 (WITNESS ASIDE)

19 MR. WADDELL: Mr. Commissioner,
20 I would like to add to our list a short brief before
21 we go on to Miss Gallop, and that is the Canadian
22 Council of Liberal Congregations Youth. The brief will
23 be read by Michael Abramsky, A-B-R-A-M-S-K-Y. Mr.
24 Abramsky? I should say that many of these young
25 people are here at our hearing tonight, sir.

26 MICHAEL ABRAMSKY, affirmed:

27 THE WITNESS: Mr. Commissioner,
28 we, representing Canadian Reform Jewish Youth across
29 Ontario and Quebec, are pleased to be able to address

M. Abramsky

1 the Commission. It is hoped that by adding our voice
2 to that of other concerned Canadians, we can show our
3 support for the native people of the Northwest Terri-
4 tories.

5 We are a people who know well
6 the importance of land. Our ties to our land are
7 ancient, and celebrated in history. So, too, are
8 the ties of the Dene and Inuit.

9 We are a people who know the
10 face of hatred too well. Too often have we seen our
11 fate decided by insensitive governments.

12 We are a people who care about
13 and worry over the preservation of our culture.
14 We know what it is to watch traditions passed from
15 parent to child, and from child to grandchild.

16 We feel that we can empathize
17 with the native people of this country, and understand
18 their hopes and desires.

19 Therefore we respectfully urge
20 this Commission to recommend that the government truly
21 listen to the wishes of the Dene and Inuit and that
22 no pipeline be built before a just and equitable land
23 settlement is made with the native people of the
24 Northwest Territories.

25 We hope, sir, as Canadians
26 and as Jews, that this will be the last time that the
27 rights and culture of any group will be threatened by
28 thoughtlessness and insensitivity.

29 Thank you.

Gallop & Powell

(WITNESS ASIDE)

MR. WADDELL: Mr. Commissioner, I'd like to file with you two briefs that have been left with me. One is from Joyce Young, I believe from Toronto; and the other one is from the Spadina-Bloor-Bathurst Interchurch Council, and I'll file these with the INquiry secretary, Miss Hutchinson.

(SUBMISSION OF JOYCE YOUNG MARKED EXHIBIT C-457)

(SUBMISSION OF SPADINA-BLOOR-BATHURST INTERCHURCH COUNCIL MARKED EXHIBIT C-458)

MR. WADDELL: The next brief, Mr. Commissioner, is from Miss Winona Gallop, and with her is Mr. David Powell.

MISS WINONA GALLOP

DAVID POWELL, sworn:

WITNESS POWELL: Mr. Commissioner, as concerned Southern Canadians, we appreciate this opportunity to present this brief to the Commission.

We are opposed to the building of a Mackenzie Valley Pipeline at this time for two reasons:

1. Is that the decision to build a pipeline should be delayed until the land claims of the native peoples are settled. Any decision to build must recognize this settlement, and the rights that it confers on the native people to adequate involvement in such a decision.

2. Is that there are too many unanswered questions about the pipeline regarding its economic and

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1 environmental impact, the necessity of acquiring northern
2 gas and oil in the first place, and the quantity of
3 northern reserves that are available. It is in the
4 best interests of Southern Canadians to take the time
5 required to answer these questions satisfactorily before
6 a decision is made.

7 Turning to the land claims
8 issue, let me begin by stating what we believe to be
9 a basic assumption about the human condition . This
10 is that it is vital to the health and well-being of
11 both individuals and groups within society that they
12 exercise a meaningful measure of control over their
13 lives. This control may be political, economic, legal,
14 social or cultural, and it differs for different people
15 and different societies.

16 If an individual or group has
17 been denied what it perceives as meaningful control,
18 that individual or group will become frustrated.
19 This frustration may lead to anger, manifested in
20 rebellion and even violence in an attempt to gain
21 control; or frustration will give way to pacify,
22 helplessness, dependence, and eventually despair.
23 Human history provides countless examples of these
24 responses to a lack of control.

25 How does this assumption
26 apply to this issue? The native peoples, the Dene and
27 Inuit, have cultures which are deeply rooted in their
28 relationship to the land. In order to have meaningful
29 control over their lives, the native peoples must
30 maintain their traditional access to the land. Loss of

1 control over access to the land would mean loss of
2 control over their lives, and loss of control over
3 their lives would mean a breakdown of their traditional
4 way of life. The appalling history of such social
5 breakdown in Canada since the arrival of the white man,
6 because of a lack of access to the land, speaks for
7 itself.

8 Therefore in order for the
9 native people to maintain control over access to their
10 land in the face of impending northern development,
11 it is essential that there is a satisfactory settlement
12 to their land claims. This settlement should provide
13 the legal controls necessary to protect their interests.

14 The settlement of native land
15 claims will take time. It is obvious that to decide
16 to build a pipeline or any other northern development
17 /scheme
18 before this settlement and without proper negotiations
19 with and approval of the native peoples would be
20 legally and morally wrong; and yet there is disturbing
21 evidence that we are unwilling to wait. Our rush to
22 build this pipeline is based on the assumption that we
23 will face serious energy shortages within a few years
24 if we do not act right now.

25 However, there is no agreement
26 that this is the case. In fact, it would appear that
27 our haste to acquire northern gas and oil is prompted
28 not by the threat of great sacrifices in our material
29 well-being, but merely out of a reluctance to change the
30 way we do things, to conserve our energy and develop
energy alternatives now. We push forward on pretty

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flimsy ground.

The manner in which Canada handles the native land claims and northern development issues will say much to the rest of the world about our nation and its priorities. We live in a world of increasing population, of increasing demands on an ultimately finite pool of natural resources, and of justifiably rising expectations among the majority of the world's peoples who do not have an adequate share of these resources. Rich countries such as Canada will be under greater and greater pressure to curb their consumption and share their wealth and knowledge, even to the point of a reduction in living standards.

If we as Canadians are unwilling to adapt our way of life to protect the cultural integrity and rights of peoples within our own borders, what will be our response to the demands from other nations? The future demands trust and co-operation among rich and poor nations if serious confrontations and destruction are to be avoided. If Canada fails at home, how can we hope to succeed internationally?

Thank you.

WITNESS GALLOP: Thank you for hearing us, Judge Berger.

As David has said, our basic hope is for a healthy human society. It is our belief this hope is dependent in large part on the respect afforded individuals and minorities, in exercising control over their own lives. I support the native peoples of Canada and north in their insistence that the

1 use of their land be determined by themselves. I urge
2 the support of the Canadian Government in the cause of
3 a healthy human society of which those in the north are
4 a part, as are we in the south.

5 I see the settlement of
6 native land claims to their satisfaction to be in my
7 own best interests. It may be argued that the building
8 of a pipeline ^{through} / the Mackenzie Valley to transport gas
9 and oil to the south where I live is in my best inter-
10 est. I hate the cold, and value the quick, easy, cheap
11 and abundant heat of my gas furnace. So my initial
12 response would probably be one of agreement. Pausing
13 for a moment, however, there are some questions about
14 my best interests over the longer run, and my general
15 hopes with society.

16 First of all, how will the
17 decision be made to build or not to build? And if
18 it's to build, who will do the work? Will there be
19 consensus between differing interests so that no one
20 group wins entirely to the loss of another? Or there
21 will be a power squeeze out of which the loser is left
22 with no options but sabotage, violence, or death.

23 My next question has to do
24 with cost, as I am certain to be involved as a Canadian
25 taxpayer, like it or not. The financial outlay is
26 said to be the largest investment ever. How much is it
27 going to cost to get how much back? The same question
28 of dollar value must be asked of the resource itself.
29 Is the real energy return sufficiently high to warrant
30 the energy expenditure that we must make to discover

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1 and transport Arctic gas and oil? Supplies of fossil
2 fuels are finite and we must not be profligate with
3 the remainder of the resource. There does not seem to
4 be a firm analysis of what we can expect to discover
5 in the north, and because of the unusual nature of the
6 terrain ^{through} which the pipeline must pass, the building
7 techniques and requirements must also be nebulous.
8 This does not sound like a blue chip investment to me.

9 We all know that Canada and the
10 United States have a great appetite for gas and oil.
11 You said it, Judge Berger. That at least is one
12 certainty in a swarm of unknowns. This brings me to
13 my final question in assessing my own best interests
14 with respect to the pipeline.

15 If sooner than later my appetite
16 is going to be sharply regulated by available supplies,
17 I would like to know it now before I become even more
18 hopelessly addicted by the easy-come easy-go consumer
19 lifestyle. The society I am part of spends energy
20 resources literally as if there is no tomorrow, and I
21 would like to believe there will be one.

22 The writing is becoming clearer
23 on the gas bills that things are changing. The heat
24 from my gas furnace no longer seems to quick, easy,
25 cheap and abundant. Some of us are beginning to consider
26 the possibilities of conserving what is left of the
27 fossil fuels by being more careful about our consumption
28 so there will be something left to develop alternative
29 sources of renewable energy with. It will take fossil
fuel energy to construct even the simplest of wind or

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R.S. Lougheed

1 solar generator. It's no good thinking we can clean
2 our energycupboard bare and then switch instantly to
3 a new diet.

4 What my best interest seems
5 to come down to, Judge Berger, is time. These hearings
6 over the last year ^{where} / individuals and minorities are
7 being given time to express their views are a bona
8 fide mechanism for northern people and for me to exer-
9 cise some control over our lives. Control in this case
10 may simply be the time it takes to talk. Because it
11 takes time to consider the complexity of elements in
12 the Mackenzie Valley Pipeline issue, gas and oil are
13 stalled from becoming immediately available for us
14 to guzzle our way through.

15 In short, Judge Berger, I
16 believe the time it takes for us to get the feel of
17 a little scarcity to begin making the connections
18 between cheque book, Cadillac, pipeline and oil source
19 is a good thing. This time may save us the necessity
20 of learning ^{the} / harder facts of cold, darkness and hunger,
21 the certain results of a technological society gone
22 broke in one last mad energy binge.

23 Thank you.

24 (WITNESSES ASIDE)

25 MR. WADDELL: Sir, the next
26 presentation is by Mr. Ronald Lougheed, vice-president,
27 Consumers Gas Company.

28
29 RONALD S. LOUGHEED, sworn:

30 THE WITNESS: Mr. Commissioner,

R.S. Lougheed

1 my name is Ronald S. Lougheed. I am vice-president,
2 gas supply, of the Consumers Gas Company. On behalf of
3 Consumers I should like to express my appreciation for
4 the opportunity to present our submission to this
5 Inquiry.

6 The Consumers Gas Company, sir,
7 directly and through subsidiary corporations, is engaged
8 in the distribution of natural gas to residential,
9 commercial and industrial customers in areas of cen-
10 tral and eastern Ontario, principally greater Metropoli-
11 tan Toronto, the Niagara Peninsula, Ottawa and Brock-
12 ville, and in addition the City of Hull, Quebec, and
13 adjacent municipalities and the St. Lawrence County
14 in northern New York State. Consumers is one of Can-
15 ada's largest distributors of natural gas, with sales
16 of 311 billion cubic feet to 491,000 customers during
17 its 1975 fiscal year. The areas served by Consumers
18 in Ontario and Quebec have a population exceeding four
19 million people, more than 18% of Canada's total popu-
20 lation, and include the greatest concentration of indus-
21 try, people and purchasing power in Canada.

22 In addition, directly and
23 through associated corporations, such as Home Oil
24 Company Limited and its subsidiaries and associates,
25 Consumers is engaged in the exploration for and the
26 production of and transportation of crude oil, natural
27 gas and natural gas liquids, and in the underground
28 storage and marketing of natural gas liquids, and in
29 the underground storage of natural gas. Both Consumers
30 and Home Oil are members of Delta 5, which is parti-
cipating in a drilling program in the Mackenzie River

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1 Delta and the Beaufort Basin area.

2 Consumers is wholly dependent
3 upon Canadian sources for its natural gas supply, al-
4 most all of which it purchases from TransCanada Pipelines
5 Limited. At the present time Consumers is not able
6 to obtain contracts for volumes of natural gas over and
7 above the 1974-75 contract levels. In Consumers' opinion
8 natural gas from frontier areas such as the Mackenzie
9 River Delta and Beaufort Basin must be connected to
10 the markets of Consumers and others as soon as possible,
11 if the natural gas requirements of those markets are
12 to be satisfied.

13 The necessity of securing an
14 adequate future supply of natural gas at a reasonable
15 cost, to satisfy the growing energy requirements of its
16 market areas, led Consumers to join the Gas Arctic-
17 Northwest Project Study Group in December, 1972. Con-
18 sumers believes that the Arctic Gas proposal represents
19 the most viable and economic transmission system pre-
20 sently advanced to connect Mackenzie River Delta and
21 Beaufort Basin gas reserves to markets in Southern
22 Canada in an orderly and timely fashion. Consumers has
23 conditionally agreed to invest up to \$68 million in
24 the equity of Canadian Arctic Gas Pipeline Limited,
25 to aid in financing the Canadian portion of the Arctic
26 Gas system.

27 As an intervener in the hearings
28 now being conducted by the National Energy Board and
29 the Federal Power Commission to consider the Arctic
30 Gas and competing proposals, Consumers recognizes that

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1 questions of natural gas supply and requirements, as
2 well as those of economic feasibility and of public
3 convenience and necessity, are matters for those tri-
4 bunals to determine.

5 The Mackenzie Valley Pipeline
6 Inquiry has been charged by the Government of Canada
7 to enquire into and to report upon the terms and con-
8 ditions that, in its opinion, should be imposed in res-
9 spect of any right-of-way granted across Crown lands
10 in the Yukon and Northwest Territories for the purposes
11 of the proposed pipeline. If Canada is to continue
12 to grow and prosper, to the benefit of all Canadians,
13 the natural gas reserves in its north must be connec-
14 ted to the markets in its south, which require that
15 new source of energy. If the terms and conditions
16 recommended by this Inquiry are unduly onerous, for
17 example as to the timing and method of construction and
18 operation of the proposed pipeline, Consumers fears that
19 the feasibility of the project will be eroded or even
20 destroyed to the detriment of Canada and all Canadians,
21 whether they be resident in the north or in the south.

22 Consumers appreciates that this
23 Inquiry is to have regard to the social, environmental
24 and economic impact in the Yukon and the Northwest
25 Territories of the construction, operation and subse-
26 quent abandonment of the pipeline. The impact of the
27 pipeline on Canada's north is indeed of concern to
28 all Canadians, and the great preponderance of the
29 evidence adduced before this Inquiry has dealt with
30 that subject. Concern for the north, however, should

not and must not prohibit an equally full and complete assessment of the impact of the pipeline in Southern Canada. One area of this country must not be viewed in isolation, to the benefit or detriment of other areas. In Consumers' view, a full and complete assessment must include consideration of the consequences to Southern Canada of failure to construct this pipeline in an orderly and timely fashion.

It is Consumers' opinion that the continued growth and prosperity of Canada as a whole is dependent upon the availability of adequate supplies of energy at a reasonable cost. Connection of the Mackenzie River Delta and Beaufort Basin gas reserves to southern markets via the Arctic Gas system, at the earliest possible time, will aid Canada's balance of payments position by generating transmission revenues from the United States and decreasing Canada's dependence on foreign hydrocarbon energy supplies, thus enhancing continued growth of Canada's economy to the benefit of all Canadians.

Consumers' market areas, with a population of more than four million people and a great concentration of industry, are reliant upon energy for their continued welfare. A large segment of those energy requirements is provided by natural gas in all sectors of the market -- residential, commercial and industrial. Recognizing that imprudent and inefficient use of all energy sources must be discontinued, Consumers has implemented programs designed to encourage all classes of its customers to conserve natural gas.

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1 It is, however, too early to
2 measure the impact of conservation on the historic level
3 of energy consumption. Change to a conserver society
4 will not be immediate, no matter how great the moti-
5 vation. Indeed, any abrupt change in energy consumption
6 patterns would have a severe repercussion on both
7 economic and social. Even with conservation, as
8 Canada's economy expands, energy requirements will grow.
9 This fact remains, if Canada is to maintain and hope-
10 fully increase its economic well-being, the new source
11 of energy contained in the gas reserves of the Macken-
12 zie River Delta and Beaufort Basin area must be connec-
13 ted to markets in Southern Canada at the earliest pos-
14 sible opportunity. Furthermore, timely access to markets
15 is a fundamental prerequisite to continued exploration
16 for and development of hydrocarbons in that area, to
17 provide a continuing source of energy for Canada.

18 It is apparent to Consumers that
19 terms and conditions for the pipeline designed solely
20 to serve the interests of Canada's north, without
21 regard to the interests of other Canadians, will not
22 benefit and may severely harm Canada as a nation and
23 all of its people. The desire of native people and
24 others resident in the north to protect and maintain
25 their lifestyle and to secure a just and reasonable
26 settlement of land claims is no more legitimate than
27 is the desire of those residents in the south to pro-
28 tect and maintain their lifestyle and to secure ade-
29 quate supplies of energy at a reasonable cost.

30 THE COMMISSIONER: Order. Carry

R.S. Lougheed
Misses Bulpitt & Gunn

on.

THE WITNESS: Resolution of one
must not impair resolution of the other.

In summary, sir, Consumers
believe that expeditious construction and operation of
the Arctic Gas Pipeline under terms and conditions
which reasonably satisfy the legitimate concerns and
interests of both north and south, is vital and necessary
to serve Canada as a nation and to benefit all Canadians.

Thank you, sir.

(SUBMISSION BY CONSUMERS GAS COMPANY - R.S. LOUGHEED
- MARKED EXHIBIT C-459)

(WITNESS ASIDE)

MR. WADDELL: Sir, the next
witnesses are Anna Bulpitt and Mary Gunn, representing
the Student Christian Movement of Canada.

MISS ANNA BULPITT

MISS MARY GUNN, sworn:

WITNESS GUNN: Mr. Commissioner,
first of all I'd like to thank you for being able to
speak this evening.

This brief is being presented
by the Student Christian Movement of Canada, in conjunc-
tion with the Student Christian Movement in the Univer-
sity of Toronto. While this brief represents the views
of these two groups alone, other Student Christian
Movement (or S.C.M.) units are involved in presenting
briefs of their own. The S.C.M. is a student-run
organization, located on 15 university campi across

Canada, and with a national office here in Toronto. The Movement was founded in the '20s after a decision to dissolve the Y.M./Y.M.C.A. on campus and establish an autonomous Christian group. The S.C.M. is financed by Canadian churches, university faculty, and friends and graduates of the Movement.

The S.C.M. emphasizes the Biblical tradition, which consistently describes God's presence with the poor and oppressed, and their struggle for justice. We believe that Christians today must be responsible for actively concerning themselves with situations of injustice wherever they exist. Within this Christian context, however, we refuse to be confined simply to a moralistic reponse to the issue of native land claims in the Northwest Territories and a proposed Mackenzie Valley Pipeline. Rather, we speak out of specific economic and political concerns which will be developed in our brief.

The historical treatment of native people in Canada has reflected patterns of colonialism and economic exploitation.

In light of their historical experience, Canada's native people have come to realize that their future as a nation depends on their right to self-determination and local control.

The two viewpoints that we as Southern Canadians wish to express are:

1. As consumers, and
2. As citizens.

As consumers we have many doubts and questions about the information available

Misses Bulpitt & Gunn

concerning reserves of oil and gas. The discrepancies in statistics reflect a deliberate attempt to manipulate public opinion.

"In 1971, Joe Greene, then Minister of Energy, Mines & Resources, told the Canadian people that Canada had 923 years' supply of oil, and 392 years' supply of natural gas, and that we had better expand our exports before alternative energy sources made this fuel obsolete. In 1974 just three years later, the National Energy Board was telling us that we would have to start importing oil by 1982."

In 1972, the oil market in the United States was opening up. In order to obtain permits to export, oil and gas companies in Canada had to ensure that there were ample reserves in Canada for at least 25 years. To create a need for northern oil and gas, both industry and the National Energy Board have reported that reserves are presently insufficient. Both industry and government rationale for a pipeline has been to meet Canadian needs. We question whose needs this pipeline is meeting.

"Up to 1974, U.S. utilities and gas distributors had advanced several hundred million dollars ... for recent exploration in Canadian frontier areas (as well as Alberta) in return for a first call on all or a part of any discovered gas."

In return for these advances, gas from the Arctic has already been promised to U.S. firms up to the tune of some 30 trillion cubic feet.

1 How will Canadian consumers be further affected by this
2 type of economic development? The Federal Government
3 and the media have blamed rising inflation on increased
4 wage demands by labor. Little attention has been
5 given to the effects on the rate of inflation of a
6 mass influx of foreign capital. The millions of dollars
7 involved in foreign financing of such resource
8 development result in increased inflation and a worsen-
9 ed position for Canadian exports abroad.

10 As citizens, we are concerned
11 with the social and environmental costs which would
12 result from the proposed pipeline. There has been
13 little research conducted into energy conservation or
14 the ecological costs involved. The nature of the ARctic
15 environment is little understood. What are going to be
16 the environmental guidelines and safeguards placed on
17 oil and gas company operations? What would the conse-
18 quences of massive pollution be to a people whose live-
19 lihood depends on hunting, trapping and fishing? We feel
20 that it is in the public interest to have adequate
21 answers to these questions prior to any further decisions
22 about northern development.

23 At an S.C.M. Conference in
24 December, 1975, Professor Michael Ash of the University
25 of Toronto -- of the University of Alberta -- warned
26 of negative social implications of the pipeline. The
27 social structures of the north are potentially fragile
28 with the people scattered in small, isolated communities.
29 The presence of a labor camp of 3,000 southern skilled
30 workers would have serious consequences for a native

community of 150 people.

In the Dene Declaration, the Dene of the Northwest Territories define a just land settlement as,

"independence and self-determination within Canada."

The Dene believe that living off the land is still a viable option in the delta region. To protect their traditional way of life, the Dene must be recognized as a distinct nation within Canada, with the right to self-determination. This must include control over resource development, government, and education of their children.

With respect to this presentation on the issue of land claims and a proposed Mackenzie Valley Pipeline, we wish to make the following recommendations:

1. That there be a moratorium on resource development in the Northwest Territories until native land claims have been recognized and settlements made to the satisfaction of native people.
2. That the native people have total control over future resource development in the north in order to build an economy based on their own needs and experiences.
3. That there be a re-evaluation of national energy policy with full public participation to determine energy needs and alternatives.
4. That there be full public disclosure of any future resource development schemes including their social and

Misses Bulpitt & Gunn
Olthuis & Vandezande

environmental costs.

Thank you.

(WITNESSES ASIDE)

MR. WADDELL: Sir, the next submission is by the C.J.L. Foundation presented by John Olthuis and Gerald Vandezande.

JOHN A. OLTHUIS,

GERALD VANDEZANDE, sworn:

WITNESS OLTHUIS: Mr. Commissioner, my name is John Olthuis. I am the research and policy director of the Committee for Justice & Liberty Foundation. With me is Gerald Vandezande, the executive director.

The C.J.L. Foundation, Mr. Commissioner, is a non-denominational Christian public interest group of 1,100 individual Canadians. We attempt to make a contribution to the ongoing political, economic and social discussion in Canada on the basis of the Christian Biblical principles of justice, compassion, love and stewardship, and by "love" we mean love for our neighbors down the street, love for our native northern neighbors, and love for peoples around the world.

Our brief, Mr. Commissioner, represents the -- some of the results of a research project that was directed towards drafting a just energy policy for Canada. Many C.J.L. members and interested Canadians have contributed to that brief through workshops, conferences, and responses to written

Olthuis & Vandezande

1 material. Unfortunately, due to the length of the
2 brief, we will only be able to summarize it this evening,
3 but we do hope, Mr. Commissioner, that you will have
4 the opportunity of reading the brief in its entirety.

5 Mr. Vandezande will now pre-
6 sent a summary of the written submission.

7 WITNESS VANDEZANDE: Mr.
8 Commissioner, the Committee for Justice & Liberty
9 Foundation believes that the Government of Canada would
10 make a colossal blunder if it approved the construction
11 of the Mackenzie Valley Natural Gas Pipeline. The
12 construction of this pipeline would lock Canadians into
13 a pattern of northern development that will enforce
14 the very value system that ^{has} proved so destructive of
15 our lifestyle.

16 Canada needs a 10-year mora-
17 torium on a decision with respect to the proposed
18 pipeline and on all other proposals to transport
19 frontier oil and natural gas south.

20 The moratorium period is
21 required if Parliament and the Canadian public are to
22 engage in the kind of informed discussion and thorough
23 decision-making that this critical matter requires.

24 A 10-year delay need not result
25 in domestic gas shortages, provided that the govern-
26 ment makes responsible decisions ^{from} the available
27 actions. Domestic gas supply and deliverability
28 is secure for 34 years, until 2010. Therefore we won't
29 freeze in the dark, as some politicians and the energy
30 companies have suggested.

The National Energy Board estimates that Canada's established non-frontier gas reserves alone are sufficient to meet growing domestic demands and existing export commitments for no less than 17 years. Conservation by waste elimination and by a reduction in domestic use would add seven more years. The National Energy Board could also divert for domestic purposes 10 trillion cubic feet of gas earmarked for export to the United States, the equivalent of another seven years of gas supply at 1974-75 consumption rates.

Finally, the Alberta Government has offered to release the 30-year supply it maintains prior to exporting gas to the other provinces. Acceptance of this offer would add approximately three years to future supplies.

The adoption of this five-point package is much more responsible than a panic-motivated decision to immediately build the pipeline. The 10-year moratorium is critical because it would allow Canadians sufficient time to determine by which basic values they want to develop as a people.

The Mackenzie Valley Pipeline proposal and the pattern of northern development which it advocates are based on the very economic growth values that are now being seriously questioned. The corporate value system which considers economic need of primary importance, and human needs of secondary importance, as problems to be cleared up preferably by money and preferably while the caterpillar and

trenching machines are rumbling on, is totally unacceptable to C.J.L.

C.J.L. believes that the emerging human growth values should replace the economic growth ideals, which is fading. WE suggest that the meeting of a multi-pronged human need test must become the condition precedent for approval of projects like the pipeline. The test should recognize no less than eight needs, all of which should be met to determine whether or not the pipeline should be built.

The first need is the promotion of human well-being instead of economic and material advantage of the private multinational petroleum companies that control and gain excessive profits from the development of public resources. The human well-being of all should have priority over the economic elite whose consumption habits are fed at the expense and to the detriment of the vast majority of Canadians.

The pipeline application filed by Canadian Arctic Gas to the National Energy Board is a good example of the economic growth above all else value system. We refer you to CAGPL's own testimony to the National Energy Board, and I quote:

"CAGPL is of the opinion that the demand-supply situation by itself provides a fundamental basis for concluding that the proposed pipeline is in the national interest and indeed, that it should be considered a national economic priority. This is predicated on the assumption that the traditional objectives associated with achieving

economic growth will continue to prevail."

The energy companies are more than willing to accept any conditions that the government might attach to permission to build a pipeline, as long as the conditions affect the basic -- do not affect the basic framework which gives priority to economic goals, and as long as the conditions can be met by the payment of money. As long as the framework remains, every project that is financially feasible will be approved, regardless of whether or not it contributes to the satisfaction of human needs. As long as conditions such as the settlement of native land claims and environment protection can be settled with money, the energy companies will be co-operative, even eager to do so, because the money will readily be provided by higher prices for fuel and more generous tax, royalty provisions from the government. In other words, by compulsory extraction from the people of Canada.

The second need deals with the need to determine Canada's future domestic demand for energy on the basis of stable economic growth, the conservation of non-renewable resources, and the development of renewable energy resources.

The third need is that natural gas, a non-renewable fuel, should supply an increasingly smaller percentage of our total energy demand and renewable energy sources should supply an increasingly larger percentage of that demand.

The fourth need concerns the

United States. It should be encouraged to do likewise, namely, practice conservation, by facing it with a drastic reduction in exports of Canadian gas, if necessary.

C.J.L. also considers it essential that proven reserves in the north do indeed justify a pipeline, if southern reserves are actually shown to be inadequate to meet normative demand projections.

The government should also respect the needs of the native people, including their rights to a just non-pressured settlement of their land claims without extinguishment of title and within the framework set out in the Dene Declaration.

Finally, there is a need to ensure beyond any reasonable doubt that the fragile northern ecosystem will not be adversely affected by the building of a pipeline and related activities.

C.J.L. recommends that the moratorium period be used to conduct public enquiries similar to your own Inquiry with respect to the following.

1. The supply and deliverability of Canada's south of 60 conventional oil and gas reserves;
2. The competence of the National Energy Board to protect the public interest in matters of resource development;
3. The ownership, profit, tax and royalty aspects of petroleum companies that operate in Canada.

Implicit in our request for enquiries is our lack of confidence in the National

1 Energy Board's competence to adequately and independent-
2 ly represent the public interest. Our lack of confi-
3 dence is justified, we believe, because the people of
4 Canada have not been given a rational explanation of
5 the National Energy Board's dramatic switch from its
6 abundant oil and gas reserves pre-1974 position, to
7 its imminent shortages post-1974 position.

8 What certainty is there, we
9 ask, that the established conventional deliverability
10 problem 1975 position will not switch to a no-established
11 conventional deliverability problem position once
12 Canadian frontier gas is onstream? We question whether
13 it is responsible to rely on the National Energy Board's
14 calculations. It appears to us that the Board either
15 relies completely on managed data supplied by the
16 energy industry, or it is obviously incompetent to
17 interpret the industry's raw data for the public
18 interest.

19 With respect to the suggested
20 enquiry into the petroleum companies' financial
21 affairs, the people of Canada are entitled to a
22 full accounting of past performance prior to entrust-
23 ing the private and predominantly foreign controlled
24 multinationals with this massive project, the largest
25 in Canadian history.

26 Perhaps of most importance
27 from C.J.L.'s vantage point is that the 10-year mora-
28 torium should be used for the development of a new
29 national energy policy for Canada. We believe that the
30 question for the need for frontier gas must be decided

on the basis of an energy policy which expresses
conserver rather than consumption values. The question
of public necessity and convenience can no longer be
answered in terms of the economic growth values that
have governed our country since World War II. It must
be answered in terms of human growth values. We
believe, therefore, that Canada's national energy
policy should emerge with the following objectives:

1. A substantial reduction in the increase in the
per capita growth of energy consumed in Canada through
both waste elimination and demand reduction programs.
2. A concerted national effort to develop alternative
sources of energy.
3. Honoring the rights of native Canadians with respect
to the involvement of their land and culture, in
projects designed to provide fuel for southern con-
sumption.
4. Full satisfaction that the ecosystem will not
be adversely affected prior to the commencement of
any energy project.
5. The setting of just royalty and tax provisions to
ensure that private companies develop public resources
for public, rather than private benefit.
6. The equitable use of natural resource revenues
to enhance total human well-being.
7. Rapid curtailment and eventual stoppage of oil and
gas exports to the United States.
8. Last but not least, the export of energy at
below international prices to struggling Third World
countries.

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1 We believe this energy policy
2 expresses a firm determination to engage in the stewardly
3 management of Canada's natural resources. For some
4 two years now the C.J.L. Foundation has advocated the
5 need for a full public discussion about whether
6 Canada should continue its unthinking commitment to
7 the erroneous belief that human happiness increases
8 in direct proportion to economic growth.

9 In addition to the rapid and
10 wasteful depletion of non-renewable natural resources,
11 which this one dimensional commitment to a
12 quantity lifestyle brings, we submit it also makes a
13 direct contribution to increasing human misery as
14 development of inter-personal relationships and the
15 deepening of social and cultural awareness are ignored
16 for the sake of economic growth.

17 Mr. Commissioner, Canada is
18 in a stage of transition. We must take the time to
19 reflect on the present and to determine our future
20 lifestyle; and time requires a moratorium on massive
21 projects like the Mackenzie Valley Pipeline which are
22 based on the very values that are now being questioned
23 by so many Canadians. Accordingly, we urge you to
24 recommend such a moratorium to the Government of Canada.

25 Last Monday's "Globe & Mail"
26 said that,

27 "Toronto is geographically and spiritually
28 as far from the north as you can get."

29 Tuesday night you said,

30 "It may^{well}/be what happens in the north and to

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Q. Ferri

northern people will tell us what kind of
people we are."

Tonight the C.J.L. Foundation
sincerely hopes that future generations will have
every reason to say, "The Canadian people of the
'70s, even those living in Toronto, became a new kind
of people, they adopted the new values of justice and
love, stewardship and compassion. Therefore they
rejected the fading values of exploitation and
materialism. They voted for a quality way of
life for all people, including the native people.
Therefore they voted against the pipeline which did
not serve the well-being of humanity."

Thank you, Mr. Commissioner.

(SUBMISSION OF C.J.L. FOUNDATION - OLTHUIS &
VANDEZANDE - MARKED EXHIBIT C-460)

(WITNESSES ASIDE)

MR. WADDELL: Mr. Commissioner,
the C.J.L. Foundation has also provided me with a
more extensive brief which I'll file with the Inquiry's
secretary. Before we break for coffee, perhaps we
could have one more presentation by Mr. Quinto Ferri,
of the Inter-Faith Study Group.

QUINTO FERRI, sworn:

THE WITNESS: Mr. Commissioner,
I want to thank you for giving our group the opportu-
nity to make this presentation.

We, the Interchurch World
Development Study Group of Brampton and area, support

in general the entire brief of Project North Inter-church Report on Northern Development. This brief, sir, hasn't been presented yet. It will be presented in Ottawa in June.

We especially want to emphasize the following, that a moral decision is involved, not merely one of political or economic expediency; that a moratorium of 10 to 15 years is necessary.

With regard to the moral question we must consider that the plight of the native people is a cause for shame to all Canadians. The Dene claim is based on intensive use of the land by them and their ancestors from time immemorial. Two-thirds of the total native labor force depend on fur trapping and caribou hunting as a primary source of cash income. These activities are endangered by large-scale development. The land has never been validly surrendered by treaty. Therefore we urge that the land claims be settled before development of the area is started.

Instead of exploiting northern resources hastily and recklessly to satisfy the demands of our consumer society, we should emphasize conservation of our current resources. The Canadian public deserve and should demand honesty from the Federal Government concerning the amount of energy still available. We question the immediacy of the need for oil and gas from the Mackenzie Delta.

It is vital that citizens have a sense of the government's responsiveness to their

1 concerns and objectives. Southern Canadians have been
2 encouraged by the recognition of their concerns through
3 the delay of the construction of the Spadina express-
4 way and the Pickering Airport as the result of organ-
5 ized protests. We believe that the native people
6 should not have to accept paternalistic decisions made
7 by outsiders, but should have the experience of
8 influencing government decisions.

9 A moratorium on development is
10 essential to achieve several objectives. It would
11 provide time to settle the native land claims before
12 any construction began, to ensure that the ecology
13 would be adequately protected, and to consult the
14 native people of the north whose understanding of the
15 land has never been considered, and to explore
16 alternative forms of energy.

17 No Canadian will escape ad-
18 verse results of unwise large-scale development.
19 Pipeline construction could cause massive inflation.
20 Our tax dollars, which could be spent ⁱⁿ more useful
21 ways-- health care, education-- would be used to
22 finance a ^{questionable} gigantic project with the profits going
23 south of the border --of our border.

24 In conclusion, we feel the
25 government must listen to the native people as they
26 demand the right to participate as equals in the
27 future economy and society of Canada. Sir, if ever
28 there was a time that the language of ethics should
29 be made part of the language of politics, that time
30 has surely arrived. Thank you.

(SUBMISSION BY INTERCHURCH WORLD DEVELOPMENT
STUDY GROUP - Q. FERRI - MARKED EXHIBIT C-461)

(WITNESS ASIDE)

THE COMMISSIONER: Ladies and gentlemen, before we break for coffee, let me just say that this Inquiry will not be deciding whether a pipeline is to be built and an energy corridor established. That is for the Government of Canada, for the people who have the confidence of Parliament to determine, and when they make that decision, they will have before them my report dealing with the impact -- social, economic and environmental -- of the pipeline and energy corridor on Northern Canada; but questions relating to gas supply, how much gas is there in the Mackenzie Delta and the Beaufort Sea, questions relating to Canada's gas requirements now and in the future, how much gas will Canadians consume in the years to come, what -- can we afford to export any gas, all of those questions relating to gas supply and Canadian gas requirements and so on are questions that will -- that are being considered by the National Energy Board because it is responsible under the National Energy Board Act, to advise the government on those questions.

So that the government will have before it my report dealing with the impact on Northern Canada, of the proposed development, and the report of the National Energy Board dealing with Canadian gas supply and gas requirements, and then the government will have to make up its mind

1 on the basis of those two reports, and that is, of
2 course, as it should be in a democratic country.
3 Those elected to govern should determine these
4 questions of national policy.

5 So we'll adjourn for ten
6 minutes and then come back and hear the remainder of
7 the briefs.

8 (PROCEEDINGS ADJOURNED FOR TEN MINUTES)
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PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: We'll come to order again and carry on, and Mr. Roland will let us know who's going to be addressing us now and we'll be sure to give them our full attention.

MR. ROLAND: Yes, sir. The next presentation is by Mr. Leroy Little Bear of the Centre for American Indian Studies, University of Lethbridge, Lethbridge, Alberta. While Mr. Little Bear is being sworn and preparing himself, he's also presented me with another brief which I'll file as an exhibit with the Inquiry secretary.

LEROY LITTLE BEAR, sworn:

THE WITNESS: Your honour, firstly, I would like to say that I very much appreciate this opportunity to appear before your Committee and secondly, my presentation has an underlining goal: to make non-Indian people better understand and have greater appreciation of Indian culture, of the basic philosophy of native people, so that they could better understand some of the property concepts that native people have, hopefully in turn to appreciate the reasons why and the basis for some of the land claims that are being forwarded by the native people today in Canada.

Presently in Canada the issue of aboriginal rights, Indian title, and land claims by the Indian people are issues that to the people of Canada are major issues and major concerns. These issues are of a major concern not only because if

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1 recognized as legitimate and legal, it means the payment
2 of large sums of money by the people of Canada to the
3 natives of this country, but they also have implications
4 for the development and exploitation of the natural
5 resources, especially oil and gas, and for the ecology.
6 But so far, the Canadian Government, nor the people at
7 large, have come to grips with these issues. It is
8 probably more correct to say that they do not want to
9 come to grips with these issues.

10 The Courts of Canada have had
11 several opportunities to deal with the issues, but not
12 unlike the government, they, too, have avoided dealing
13 directly with the issues. They find one technicality
14 or another to dismiss a case.

15 In regards to land, aboriginal
16 rights includes native title, and land claims almost
17 exclusively deals with the issue of native title. In
18 this short paper, in this submission, the writer will
19 attempt to present a concept of native title for
20 purposes of educating those people who are in a position
21 to do something about land claims.

22 Three recent Court decisions
23 have attempted to deal with native title: Calder v.
24 Attorney General of British Columbia, referred to in
25 layman's terms as the "Nishga Case"; Kanatewat v.
26 James Bay Development Corporation, and its sequel, James
27 Bay Development Corporation v. Kanatewat, better known
28 as the James Bay Cases; and In Re Paulette and the
29 Registrar of Land Titles.

In the Calder case, the

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1 Supreme Court of Canada held against the Nishga Indians
2 of British Columbia. Their holding was to the effect
3 that if the Nishgas had title, this title had long ago
4 been extinguished by adverse acts on the part of the
5 British Crown. The Court, also, reasoned that Indian
6 title does not exist independent of legislation
7 recognizing it. But the Court did not define native
8 title.

9 At the Superior Court level of
10 the James Bay cases, the judge held that Indians had
11 aboriginal title. But the Quebec Court of Appeals
12 reversed the Superior Court's decision, and in essence,
13 held that there is no such thing as aboriginal title.
14 They reasoned that no treaties had ever been signed in
15 the James Bay area, therefore, no native title exists.
16 But this, of course, is ridiculous reasoning because
17 treaties are a means of extinguishing Indian title and
18 not a means of creating it. But both Courts did not
19 define Indian title.

20 In the Paulette case, the
21 judge in handing down his decision on whether the
22 Indians of the Northwest Territories could lodge a
23 caveat in regards to the lands they were claiming, he
24 held that arguably the Indians had a legally recogni-
25 zable interest in the land in spite of the fact that
26 the area claimed was covered by a treaty. He reasoned
27 that the Treaty could not be interpreted as a total
28 surrender and should be looked at as a peace and
29 friendship treaty. At the Court of Appeals level, again,
30 the lower Court's decision was reversed. The Court of

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1 Appeals in essence held that a caveat could not be
2 lodged against a sovereign without its permission.
3 Here again the Courts did not define native title.
4

5 Important as these decisions are
6 and the implications they have for aboriginal rights in
7 Canada, the single most important decision is the St.
8 Catherine's Milling and Lumber Co. v. The Queen. The
9 decision was handed down by the Privy Council. The
10 Council held "that the tenure of the Indians was a
11 personal and usufructuary right, dependent on the good-
12 will of the sovereign"; that there has been all along
13 vested in the Crown a substantial and paramount estate,
14 underlying the Indians' title, which became a plenum
15 dominium whenever that title was surrendered or other-
16 wise extinguished. In other words, the British Crown,
17 prior to the discovery of North America, has always had
18 title to the lands in North America in an a priori
19 sense. The results of the St. Catherine's Milling and
20 Lumber Co. case is that the British by simply setting
21 foot on North America and planting a rag attached to a
22 pole on the shores acquired the title to Indian lands.

23 This ritual, i.e. the coming
24 ashore and the planting of a flag and the claiming of
25 the land for the Monarch, is sometimes referred to as
26 "Discovery". The Doctrine of Discovery is one justifi-
27 cation for claiming fee simple title to lands in North
28 America. But the doctrine has been abused, misconstrued,
29 and misinterpreted by the white man. Chief Justice
30 Marshall of the United States Supreme Court, and one of
31 the first to use the Concept of Discovery in his deci-

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sions, said in the Johnson and Graham's lessee v. MacIntosh case that discovery was a doctrine meant to apply to the European powers for their own orderly conduct in dealing with the aboriginal people of North America. Hence, discovery was not meant to apply to the Indians. It was not meant to mean a fee simple ownership. To the contrary, discovery can be analogized to a 'business franchise'. Just as a business franchise gives exclusive rights to the owner of the franchise to enter into business relations with people within the geographic area of the franchise, as against others from the same company and selling the same product, discovery was meant to give a European power who came to the shores of North America to deal exclusively with the Indians whose territory covered or included that particular area discovered by a European power. A right to deal with people certainly does not give ownership to their property.

Just in passing, Section 91(24) of the B.N.A. Act which states that the Federal Government has jurisdiction over Indians and lands reserved for Indians, can also be analogized to a business franchise. It gives exclusive right to the Federal Government to enter into special relationships with the Indians as against the provinces. Section 91(24) should not be interpreted as a dictatorial power that the Federal Government has over Indians. Such an interpretation is a step backward in human rights and constitutional law.

Before moving on, I would like to consider two separate but not unrelated fundamental

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questions. Firstly, in regards to the reasoning of the Privy Council in the St. Catherine's Milling and Lumber Co. case, I would like to ask, "What is property?" Most authorities would define property to be the relationship that people have about a thing. Taking this definition and applying it to the statement by the Privy Council that the Crown has always had underlying title to the lands in question, how is it possible to have a relationship about a thing, in this case, land, which a people do not know exists?

In regards to the doctrine of discovery, if interpreted as giving fee simple ownership, rather than being in the nature of a franchise, then should not the doctrine have a geographic limitation, in the same way that the Royal Proclamation of 1763 has been held not to apply to terra incognita, in other words, to lands unknown? In one particular case, the Royal Proclamation has been held not to apply to lands that were not yet explored and discovered.

When it comes to a consideration of native title, most authorities reason that Indians have no concept of property ownership and therefore, how could they have title? But this is nonsense. It is high time the Government and the Courts stop using as premises false reasonings such as "personal and usufructuary right dependent on the good will of the sovereign" for stare decisis sake. At one time reasonings such as were forwarded in the St. Catherine's Milling and Lumber Co. case may have held water and we can, at least, give them the benefit of the doubt

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because people probably did not know any better. But we know better today, and we know different. At least, we claim to be one of the most advanced societies this world has ever known. It is time we put our intelligence to work in a way that will do justice to our claim.

In order to understand the property concepts of any society, one must have some appreciation of the overall philosophy or habitual thought of that society. By habitual thought, I mean the philosophical premises that are basic to a culture; premises that a society uses to relate to the world. The habitual thought of Western Occidental society is very linear and singular. A good example of linear thinking in Western Occidental society is the concept of time. Time is conceptualized as a straight line. If one attempted to picture "time" in his mind, he would see something like a river flowing towards him and on past him. What is behind him is the past. What is immediately around him is the present, and the future is upstream. But one cannot see very far upstream because of a waterfall, the waterfall symbolizing the barrier to knowing the future. This line of time is conceptualized as quantity, especially as lengths made up of units. A length of time is envisioned as a row of similar units.

A logical and inherent characteristic of this concept of time is that once a unit of the river of time flows past, that particular unit never returns -- it is gone forever. This characteristic lends itself to other concepts such as "wasting time", "making up time", "buying time", "being on time", which are unique to Western Occidental society.

Now many native people think in terms of cyclicity, cycles. Time is not a straight line. It is a circle. Every day is not a new day, but the same day repeating itself. There is no need to name each day a different name. You only need one name: day. This philosophy is a result of a direct relationship to the macrocosm. The sun is round; the moon is round; a

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day is a cycle--day consists of daylight followed by night; the seasons follow the same cycle year after year. A characteristic of cyclical thinking is that it is wholistic, in the same way that a circle is whole. A cyclical philosophy does not lend itself readily to dichotomies of categorizations, nor fragmentation, nor polarization, whereas linear thinking lends itself to all of these. Linear thinking, also, links itself to singularity. For example, "there is only one great spirit", "only one true God", "only one true rule", "only one true answer". These philosophical ramifications of Western habitual thought result in misunderstanding wholistic concepts. Westerners relate themselves to only one aspect of a whole at a time, and they have a hard time looking at the total picture.

The linear and singular philosophy of Western society, and a cyclical and wholistic philosophy of most native people can readily be seen in the property concepts each society has. Firstly, British property concepts. British concepts of ownership or title are not dissimilar to native concepts of land ownership. An underlying premise of the British property system is that no one can own land in the same way that one can own a book. One cannot possess land in the same way that one can possess a book. Possession forms a large part of ownership. Since one cannot own land in the same way that he can own a book, a system has been devised by the British to give symbolic ownership. This system is known as the estate system. Under the estate system one cannot outrightly own the land,

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mainly because land outlasts human beings. The land was there before the present owner, and will still be there after the present owner passes. Consequently, one can only have an interest in the land called an estate.

The British developed a hierarchy of interests or estates. And again, this hierarchy is very linear and very singular, you know, at the philosophical level. At the very top is "a fee simple absolute". It is a possessory fee simple absolute, the largest estate or interest known to the law. Even though a parcel of land has geographic bounds, when considered in terms of time, this estate is said to be of infinite duration. It is a present, freely alienable, possessory estate. There are no other outside interests. A fee simple absolute can be symbolized as A, representing a grantor or owner to B, the grantee and his heirs.

On down the line come what you call the defeasible estates. Now, there are two defeasible estates. One is called a fee simple determinable and the other one is called a fee simple subject to a condition subsequent. Now, these two property concepts are slightly lesser interests than the fee simple, mainly because, you know, a condition has been put on the fee, but basically these two property concepts are, you know, rather high up in the hierarchy of estates, but are less than a fee simple.

Another property concept too is what you ^{call} 'a Fee Tail, which has been phased out of the

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1 British common law. The fee tail limits the class of
2 heirs capable of inheriting to those who likewise answer
3 the description of lineal descendants, in other words,
4 when a grantor gives land to a grantee, he puts a condi-
5 tion on it, saying I'm giving this land, more or less, to
6 your name, you know, to those people who are direct
7 lineal descendants of you. When the lineal descendancy
8 comes to an end, then the land reverts back to the
9 original grantor.

10 There are a number of other
11 interests or estates such as life estates, indefeasible
12 vested remainders, contingent remainders, executory
13 interests, and a number of non-freehold estates. But
14 for our purposes, the above estates, you know, that
15 are briefly described will suffice.

16 A couple of observations can be
17 made in regards to the estate system. Firstly, the
18 system is linear vertically. The system is also very
19 singular. It is geared to the individual ownership of
20 land. Secondly, an underlying goal of the system is to
21 facilitate transferability of the different interests.
22 Thirdly, the system necessitates an extensive and compli-
23 cated registry. It makes possible to chronologically
24 trace previous owners. If one went back far enough to
25 the original source or original owner, one would disco-
26 ver that it is the Crown or the Monarch. In other words,
27 the source of title is the Crown.

28 Indian ownership of property,
29 and in this case, land, is wholistic. Land is communally
30 owned. Indian property ownership is somewhat akin to a
joint tenancy: the members of a tribe have an undivided

1 interest in the land; everybody, as a whole, owns the
2 whole. In regards to title, to use the language of the
3 estate system, the native concept of title is somewhat
4 like the fee simple, the fee simple determinable, the
5 fee simple subject to a condition subsequent, or the
6 fee tail, or if you want to say; it's somewhat like a
7 combination of these lesser interests, leaving the fee
8 simple out. It is as though the original grantor of
9 the land to the Indians put a condition on his grant,
10 for instance "so long as there are Indians"; "so long
11 as it is not alienated"; "on the condition that it is
12 used only by Indians", etc. These are possible condi-
13 tions that could have been put on the original grant
14 given to the Indians. In other words, the Indians'
15 concept of title is not equivalent to a fee simple,
16 but is somewhat less than a fee simple. This is not to
17 say that the Indians were not capable of conceiving a
18 fee simple concept. If one attempts to trace the Indians'
19 source of title, one will quickly find that the original
20 source is the Creator or the Great Spirit. The Creator
21 in granting land, did not give the land to human beings
22 only but gave it to all living beings. This includes
23 plants, sometimes rocks, and all animals. In other
24 words, deer have the same type of estate or interest as
25 any human being. This concept of sharing with fellow
26 animals and plants is one that is quite alien to Western
27 society's concept of land. To Western society, only human
28 beings have a right to land, and everything else is for
29 the convenience of human beings. The concept of the
30 Indians of sharing with fellow living things is not

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1 unrelated to the concept of social contract that has
2 been forwarded by some philosophers.

3 For instance, Rousseau and
4 Locke refer to a social contract to explain the origins
5 of society and government. But their social contract
6 refers to human beings only. If the idea of a social
7 contract is applied to native people, one will find
8 that it includes not only human beings but all other
9 living things.

10 An observation about the Indians'
11 concept of land title includes a reference back to the
12 basic philosophy. Indian property concepts are wholis-
13 tic. Ownership does not rest in any one individual,
14 but belongs to the tribe as a whole, as an entity. The
15 land belongs not only to the people presently living,
16 but it belongs to past generations, and to future gener-
17 ations that are yet to be born. Past and future gener-
18 ations are as much a part of the tribal entity as the
19 living generation. Not only that, but the land belongs
20 not only to human beings, but also to other living things;
21 they, too, have an interest.

22 The question inevitably arises
23 as to just what the Indians surrendered when they signed
24 treaties or engaged in activities that today the govern-
25 ment claims were actions on the part of the Indians
26 extinguishing their title. Firstly, the Indian concept
27 of land ownership is certainly not inconsistent with
28 the idea of sharing with an alien people. Once the
29 Indians recognized Europeans that came to the shores of
30 North America as human beings, they gladly shared with

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them. They shared with Europeans in the same way they shared with the animals. But sharing here cannot be interpreted as meaning that Europeans got the same rights as any other native person, because they were not descendants of the original grantees, or they were not parties to the original social contract. Sharing certainly cannot be interpreted as meaning that one is giving up for all eternity his rights.

Secondly, the Indians could not have given a fee simple in any land transactions they may have engaged in, because they did not have a fee simple. They were never given a fee simple by their original grantor. It is well known in British property law that one cannot give an interest greater than he has.

Thirdly, Indians could not have given an interest equal to what they were originally granted, otherwise they would be breaking the condition of the fee granted. Not only that, but they are not sole owners of the original grant. The land belongs to past generations, the yet to be born, and the plants and animals. In order to give an interest equal to the original grant, one would have to get a transfer from those holding an equal interest, and these would include the dead, the yet to be born, and the plants and animals. Has the Crown ever received a surrender from these other living entities?

Fourthly, the only kind of interest the native people have given or transferred is an interest lesser than what they had, for one can

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always give an interest smaller than what he has. For instance, if one holds a fee simple determinable, one can always give away a life estate. From the above, one can readily conclude that the Indians did not surrender very much, if they surrendered anything at all.

Fifthly, the above philosophy, property concepts, and ramifications and implications thereof, may sound ridiculous and fairy-tale-like, but what philosophy does not? Do biblical stories make more sense? To native people they sound rather ridiculous and make-believe. Does the "Crown" as a fictitious entity make more sense? I do not think so.

Canada, as a sovereign nation, via the Crown, claims ownership and sovereignty over all the lands within its boundaries. But how does one gain ownership and sovereignty over a particular piece of land? One can gain sovereignty through aboriginal rights which basically means that one is the original occupier of a particular piece of land. One can gain sovereignty through conquest. One can gain some land rights through adverse possession. One can gain titles through conveyance. Lastly and unique to the Americas, and claimed to be just by Europeans, one can gain title through discovery.

If we look at Canada, and ask again, "How did she gain title to the lands within its boundaries?" , it certainly cannot claim title via aboriginal rights. Only native people can claim aboriginal rights. It cannot claim sovereignty through conquest. Who did it conquer? Sure, one or two small tribes may have been conquered, but certainly not most

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Indian tribes. On the contrary, she chose to enter into peace and friendship treaties with most tribes. If one tribe was actually conquered, it certainly does not mean that all Indians were conquered. Conquest has geographic limitations in the same way that the Royal Proclamation has geographic limitations.

In the Nishga case, the Court, in a roundabout way, suggests that the Crown gained title to lands in British Columbia via adverse possession, that is, through adverse acts on the part of the Crown. But the theory of adverse possession could not apply to native people because the land was not individually owned, and the theory of adverse possession only applies to the individual ownership of land. Secondly, adverse possession does not apply to a sovereign because an underlying assumption of the theory of adverse possession is that the adverse possessor must have his title recognized by a higher entity. In the case of a sovereign, there is no higher entity.

If the Crown can claim any type of interest, it can legitimize this claim through conveyance, and only through conveyance. But as I have already shown, the interest the Indians surrendered, if they surrendered anything at all, is a lot smaller than what the government lays claim to. It certainly is not a fee simple.

The only other means by which Canada can justify its claims to Indian lands is through discovery. But then, again, I have already shown how discovery has been misinterpreted and misconstrued.

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When the Courts and the government say that the Indians' title is dependent on the goodwill of the sovereign, and that the Indians' interest is a mere burden on the underlying title of the Crown, the question to ask is, "Where did the Crown get its title from? And how?"

When the Courts refer to Indian title, they should say something to the effect of, "the title or interest of the Crown is a mere personal and usufructuary interest dependent on the good will of the Indians." The Indians have all along had a paramount estate underlying the Crown's interest. The Crown's interest is a mere burden on the title of the Indians.

As a conclusion to this presentation, I would like to state that it is my hope that in some small way I have contributed to a better understanding of the Indians' property concepts, which in turn, hopefully, will facilitate a better understanding by those who are not familiar with Indian thinking. I also hope that, in some small way, by this presentation, I have contributed towards educating non-Indians about why and the basis for the land claims Indian people are making.

If justice and fairness are underlying goals of today's government and Court system, then the concepts and the philosophy of the Indian people should certainly be taken into consideration and given as much weight as British concepts and philosophy. But if justice and fairness are not underlying goals, then we should stop covering ourselves with a false aura of

L. Little Bear
G. Akula

1 sacredness and bring out things in the open, so every-
2 body knows where they stand. In other words, if we
3 cannot be bothered with justice and fairness, we should,
4 at least, be truthful. Thank you.

5 (SUBMISSION OF LEROY LITTLE BEAR - MARKED
6 EXHIBIT C-462)

7 (WITNESS ASIDE)

8 MR. ROLAND: Sir, the next
9 witness is Mr. George Akula.

10
11 GEORGE AKULA, sworn:

12 THE WITNESS: Mr. Chief Justice
13 Berger, members of the Inquiry, ladies and gentlemen.
14 As a concerned and growing Canadian, I would like to
15 take a realistic approach to the need for the construc-
16 tion of a gas pipeline in the Mackenzie Valley. For
17 some time now, the Federal Government and a few public
18 agencies, such as Ontario Hydro, have been running ads
19 in newspapers advising all Canadians to respectively:

20 "adopt your own personal programme in fighting
21 inflation"

22 and to:

23 "conserve energy in the home".

24 Ever since the energy crisis in
25 North America in 1973 and 1974, these advertising cam-
26 paigns have consistently encouraged Canadians to use the
27 basic sources of energy, electricity and gas more
28 sparingly and wisely. Even in last night's budget, the
29 Federal Government has taken stringent measures to leave
30 us with little choice in doing this.

G. Akula

In addition to the efforts of the public sector to make Canadians aware of the need to practise self-restraint, Mr. Commissioner, the private sector has and will continue to give impetus towards saving energy in our everyday lives.

The automobile industry today is in a gradual transition towards smaller cars rather than big ones. The motor-assisted bicycle or moped for example, introduced into the Ontario market in 1974, holds great potential for competing with or even replacing the private car as a cheap means of urban transportation.

These are just some of the ways we are becoming a much more energy conscious society than ever before and which will help us greatly reduce any foreseeable need for an Arctic gas pipeline in the near future. It stands to reason that, if the Federal Anti-inflation and Energy Conservation Campaign does result in wiser energy consumption by Canadians, and I don't see how it cannot in light of the Federal energy-saving budget, we will be able to extend our use of southern gas and oil reserves longer than we now think possible. At this point in time, we cannot overlook the fact that our own use of energy is linked to inflation. Thus, we must all learn how to make the most of our present reserves by using less energy. We must all learn how to make the most of our present reserves before proceeding to new ones that entail greater risk to bring into production.

The two examples I have cited show that there is still room for the southern Canadian

G. Akula

1 to reduce any need for a northern pipeline by using less
2 energy but still maintaining a healthy lifestyle. If a
3 pipeline is to be built, however, I am fully convinced
4 that for the sake of the dignity and the traditional
5 beliefs of our native peoples, the Canadian Government
6 must give formal recognition to recent land claims made
7 by the northern natives and to their own self-governing
8 entity within Canadian Confederation, so that they can
9 deal directly with the southern economic interests who
10 want the pipeline a reality. We cannot afford to have
11 any serious confrontations because of the government's
12 unwillingness to respond favorably to native demands.

13 The final point I would like
14 to make, Mr. Berger, is this: We white people who
15 populate so much of southern Canada with our strong
16 economic motivations to push on with progress, still
17 have a lot to learn from our native peoples. As a
18 sociology student at the University of Toronto, I have
19 learned that the Indians have always shown a more
20 judicious use of resources than we have and that they
21 do not place a high value on material possessions. Why?
22 Because they are spiritually oriented towards Mother
23 Nature, and their economic practices, unlike ours, do not
24 rule or spoil nature. Their affinity with the land is
25 something that they can teach those of us who do not yet
26 see this.

27 Everybody here who has kept up
28 with the progress of your Inquiry through the media
29 should know now that the modern concept of progress is
30 very harmful to our native peoples. You have had many

G. Akula
Miss M. Nichini

citizens describe to you how the simple lifestyle of Indians in Canada has been destroyed by modern economic development. This cannot happen with the Mackenzie Valley Pipeline.

Now, as a student of contemporary society, I feel there is great truth in the statement that modern man has virtually deprived himself of the simple life associated with nature and that our understanding of native ways will show us what it is to live with nature again. The starting point for our harmonious understanding of native ways can only come about when the land claims and rights to sovereignty by the native peoples are given consent by Ottawa.

Thank you very much.

(WITNESS ASIDE)

MR. ROLAND: Sir, the next witness is Miss Marisa Nichini who will speak on behalf of the Core Committee for World Peace and Development.

MISS MARISA NICHINI, sworn:

THE WITNESS: Mr. Berger, we are a group of students from Holy ^{Name of} Mary High School in Mississauga. As members of the Core Committee for Peace and Development, the school club, we have become interested in and aware of the situation now facing the native people of the Northwest Territories with respect to the building of the Mackenzie Valley Pipeline.

We should like to state that we are not experts, only concerned Canadian citizens who realize the importance of the outcome of this Inquiry.

Miss M. Nichini

1 Here then, is a collection of our research and opinions
2 concerning topics relating to the Mackenzie Valley Pipe-
3 line issue, treaty history, culture, environmental
4 effects, energy, economics, and the Canadian responsi-
5 bility. We should also like to say that this is merely
6 a summary of our brief and that, could you please
7 forgive any incoherence that may be found because we
8 just did this in the audience tonight because of the
9 length of our brief. Thank you.

10 First of all, treaty history.
11 We would like to present to you the reasons for our
12 belief that before any decision is made concerning the
13 building of the Mackenzie Valley Pipeline, a just land
14 claim settlement should be made with the native peoples
15 living in this area. The reasons for our views came
16 from various conclusions drawn from an investigation
17 into the treaty history of the Canadian Indians. Red
18 Indian peoples are not of course confined to Canada, but
19 inhabit the whole of the American continent. Upon
20 reading of how other countries have dealt with native
21 peoples, it would seem that Canadian authorities were
22 very fair in signing treaties with their native Indians.
23 Surely it was a better practice than starting the
24 destruction of their civilization as Cortez did with
25 the Aztecs or massacring the Sioux as the United States
26 troops did at Wounded Knee. But was the signing of
27 treaties with the Indians that much better? We are not
28 so sure.

29 Before the Canadian Government
30 started negotiating with the Indians, private individuals

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1 had already been doing so. Among them was the Earl of
2 Selkirk. The Selkirk Treaty was daylight robbery, 'an
3 outright exploitation of the Indians who could not have
4 realized what they were signing away--the whole area of
5 the Red River Valley and the Lake Winnipeg region. To
6 this day, many people are claiming that the treaties
7 were seen as a guarantee for the Indians to continue
8 their traditional lifestyle.

9 In the years following 1817,
10 the Dominion of Canada became one of the negotiating
11 parties. Among the treaties signed were the Manitoulin
12 Island Treaty, the Winnipeg Treaty, and the Blackfoot
13 Treaty. There are three outstanding features of the
14 treaties that had been signed. First of all, the
15 difference of the negotiating parties and the different
16 cultures that came into contact during negotiations.
17 Secondly, the fact that treaties were consistently
18 signed only when the governments saw the need for
19 non-native expansion and development. Thirdly, non-
20 natives who had usually moved in. So the only choice
21 the Indian had was to sign over the land with the treaty
22 or to lose it without one.

23 Two treaties illustrating the
24 conclusions above are Treaties 8 and 11, which have
25 been ruled by Mr. Justice Morrow to being misunderstood
26 by the native people. The Indians believed that the
27 treaties:

28 "did not involve the succession of Indian lands
29 but were merely friendship or peace treaties,
30 implying a mutual respect for the lives, rights,

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and way of life of both parties."

When they were signed, the Indians were urged to do so, even though they did not understand what was in the treaties. No wonder the native people did not know what was happening to them. It took us more than one reading of the treaty transcripts to decode the official jargon.

The more recent James Bay Settlement has been held up as a great step forward in native-government relations but once again, upon examining its terms and implications, it does not appear to be so great. We've tried to show, through treaty history, why we support the Dene and Inuit in their appeal for an honest land claims settlement. We cannot speak as Indians but rather as people who do not want to see the injustices of the past repeated.

The worst thing about the treaties made during the last and early part of this century is that the native peoples' views were ignored and they were allowed no control over their own future. Please do not let this happen again. It is never too late to make a change for the better, although the change in attitude towards the Canadian native peoples is almost a hundred years overdue.

According to the Honourable Alexander Morris, onetime Lieutenant-Governor of Manitoba and the Northwest Territories wrote, in 1880:

"it is the desire of this work to suggest a possibility, nay the certainty of a hopeful future for them, the native Indians."

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Secondly, we have culture.

The culture of native people of Canada has contributed much to the society in this country and they have much more to offer us if we give them a chance. A place to start is trying to understand some of the aspects of their culture and to understand their search for their lost identity. When we do this, we can better understand their land claims and demands for participation in determining their own future.

One of the largest causes of misunderstandings between white and native societies is the difference in their concept of the land. The white concept of owning land is one totally foreign to the native people. To them, the land is to be shared by all, used during their lifetimes, and then passed on to future generations. The white man conquers the land; the Indian lives in harmony with it. Therefore, when initial treaties were made, the native people did not understand their intent to give away the land. This is why the native people resisted being displaced from the land which they did not realize they had lost.

One of the major difficulties the native people of North America face is their lack of sense of group identity. The white society has grouped them together as a single ethnic group and thus cannot understand why they cannot get together to make decisions, but they are not a single native group.

Native people do not have a common physical, social, or cultural background but rather have a wide range of traditional cultures which

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1 have been designated as:

2 "Indian culture"

3 by the white people viewing from the outside. The
4 native people have always considered themselves to be
5 Cree, Algonquin, Ojibway, etc., not as a large unified
6 nation. Today, however, circumstances force them to
7 begin to think of themselves as a whole and to work
8 together for the benefit of all. The native people of
9 Canada have organized themselves into major groups,
10 such as the Indian Brotherhood, the Metis Association
11 of the Northwest Territories, which work together to
12 present their claims to the Canadian Government. The
13 Organization of Native Peoples has helped their claims
14 to be heard and has helped the government in knowing
15 who to deal with.

16 An important aspect in the
17 development of native people is the rediscovery of their
18 identity. Many of the young people are rediscovering
19 the traditional ways of their culture. They must go
20 back and find what they have lost. Thus, the native
21 people can be a valuable addition to the diverse
22 cultures existing in Canada which are able to retain
23 their identity as distinct groups and at the same time
24 be Canadians. The native people are afraid that
25 integration into white society would be an assimilation
26 and that they would lose their culture and have to adopt
27 another just to survive.

28 Their native culture has been
29 misunderstood in the past. The Canadians now have a
30 chance to change that by helping the native people to

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1 become part of the Canadian mosaic,

2 "to be colourful ^{red} tiles, taking their place where
3 red is both needed and appreciated".

4 To achieve this, the land claims must be settled to
5 insure the future of these people and the cultural,
6 social, economic, and political life of Canada.

7 The native people of the
8 Northwest Territories have always been and still are
9 dependent upon the land. It is vital that they co-exist
10 along with the environment and it makes sense that
11 whatever affects the environment affects them. They
12 have never felt it necessary to live in cities and
13 work in industry, but they recognize the importance of
14 the land which is often more than the average Canadian
15 citizen does. The case for the preservation of the
16 land in the Northwest Territories is not only important
17 to the native people, it is also vital to Canadians
18 everywhere.

19 The proposed pipeline for
20 the Mackenzie River Valley is a large-scale construction
21 project. It has been argued that the actual pipeline
22 will only affect 40 square miles of land, however, when
23 the details involved in the actual construction have
24 been considered, the:

25 "description of the project affecting a mere 40
26 square miles of land is unrealistic".

27 There is much more to the pipeline than simply the
28 digging of a tunnel. In order for the pipeline to
29 undergo construction, it is first necessary to develop
30 an efficient transportation system capable of transporting

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1 supplies to and from the site of construction. As a
2 result, the Northwest Territories has seen increased
3 air and barge traffic in the last few years and two
4 highways near the area of the Mackenzie Valley Pipeline
5 have undergone construction since 1972.

6 Proposals have also been made
7 for a hydro-electric transmission system. It is obvious
8 that a construction project such as the Mackenzie Valley
9 Pipeline is going to have a large-scale effect on the
10 environment of the North. It is feared that the
11 bulldozers, increased air traffic, water pollution, and
12 the blasting that accompanies every form of construction
13 will result in various problems among the animals of
14 the area.

15 Since the native people are
16 dependent on the land, including its wildlife, one will
17 also be killing the people along with it. Careless
18 handling of the construction of the pipeline may result
19 in the upsetting of migratory routes among birds, the
20 death of fish, and small water animals, and most
21 importantly, it may result in the caribou and other
22 large animals being frightened away altogether. When
23 the animals go, the native people's ability to exist
24 with nature as they always have goes, and consequently
25 their right to live as they please.

26 It is ironic that for the last
27 two hundred years, this country has shown no interest in
28 the fate of the people or the land of the Canadian north,
29 and now when it is being discovered that this land can
30 be of some value to us in the form of gas and dollars,

we still care only to exploit it. The problem here is not only the actual idea of northern development, it is how we develop it.

Energy: The Mackenzie Valley
issue
Pipeline/has forced Canadians to make some very impor-
tant decisions regarding the need for the development
of energy resources in the north. We feel that the
pipeline should not be built until certain questions
regarding our need for energy resources have been
answered.

After studying various statistics, it is quite obvious that there is no need to rush the building of the pipeline. There is no real shortage of natural gas in Canada. If the government would take measures to ease the deliverability, we would have enough supplies for at least 12 years.

There is a definite need to conserve. In the past, large users of energy have been rewarded with lower prices. This must be stopped. Advertising has encouraged increased use of energy consumption. Instead, energy companies should encourage and stress conservation.

Further research is needed into the feasibility of alternate forms of energy and improvement of things such as appliances and generators. The major concern, which in the past seems to have been overlooked, is the effect which the pipeline will have on the native people in the north.

The economic impact: All too many members of the southern populace of our country

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1 have refused to recognize the questions of the building
2 of the Mackenzie Valley Pipeline as the most controversial
3 issue facing us today. This laissez faire
4 on our part is due to the fact that people do not
5 realize the full implication of the effects that the
6 proposed pipeline might have. Too often, it is dismissed
7 just as another case of the native people of Canada
8 standing in the way of progress.

9 While land claims, ecological
10 effects, and the effects on the native environment are
11 of prime concern, we, the people of the south, must
12 realize that the construction of the Mackenzie Valley
13 Pipeline may be to greater detriment of our national
14 economic system. Considering that the south is the
15 economic centre of Canada, it is ironic that many
16 people choose to ignore the problem, on the grounds that
17 they do not live in the north, and so will not be affected
18 by the pipeline.

19 Although gas companies claim
20 that they will bring more jobs and economic benefits to
21 our nation through the building of the pipeline, it
22 is also found that there is another report, entitled:

23 "The Preliminary Report of Economic Impact
24 Committee".

25 Their report states that a pipeline, if built now,
26 would distort the economy because of the speed and size
27 of the pipeline construction, and although there is a
28 great demand for Canadian equity control and participation,
29 such great control of the project would increase
30 undesirable economic consequences and that net benefits,

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1 both in the area of job creation and revenues, are too
2 small to justify the massive effort required. Their
3 report also found that employment prospects were dismal,
4 the majority of long-term jobs being located in the
5 south. So we, the voters, are confronted with two
6 evaluations of the economic impact of the Mackenzie
7 Valley Pipeline. Both appear logical and coherent,
8 both come from irreputable sources, but there is a great
9 deal of conflict between these two reports.

10 As citizens of Canada, it is
11 our responsibility to demand that this conflict be
12 resolved, so we may make way for the best decision of
13 the Canadian public as a whole without harming others
14 unnecessarily by acting in haste. Proper northern
15 development may be our lifeline in the future years and
16 to neglect it now would be to our greater detriment.

17 Finally, the Canadian respon-
18 sibility. In this age of searching for a national
19 identity, for a definition of "Canadian", it is
20 necessary for the people of Canada to take a stand. We
21 must decide, as Canadians, what our priorities are,
22 what we wish to stand for. In the past, we have been
23 a nation of middlemen, peace-makers and buckers among
24 the powerful nations of the world but this role must
25 now be applied to our own internal problems. Obviously,
26 the problem that stands out is that of the Mackenzie
27 Valley Pipeline issue. Through our research, we have
28 found arguments for and against the necessity of the
29 proposed pipeline. The gas companies say that it is
30 necessary to build the pipeline in order to supply

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C.K. Kalevar

1 natural gas to meet Canada's growing energy needs.
2 However, other experts challenge the need of extracting
3 our northern reserves at this time. Both these argu-
4 ments are valid, but both still have the same conclu-
5 sion - eventually the northern reserves must be tapped
6 for the good of all Canadians.

7 However, before the pipeline
8 is built, we must consider the people and land which
9 will be affected by the pipeline. This brings us to
10 the native land claims. These must be settled before a
11 decision on the pipeline is made. Native people have
12 a right to their land, to their future, and to their
13 children's future. It is our responsibility, as fellow
14 Canadians, to ensure their right to the land. It is
15 not only our moral responsibility but also our national
16 duty to make sure that the decisions made by the
17 Canadian government and this Inquiry are fair and not
18 harmful to the native people. Thank you.

19 (WITNESS ASIDE)

20 MR. ROLAND: Sir, the next
21 presentation is by Mr. C. K. Kalevar.

22 THE COMMISSIONER: Before we
23 hear from him, let me thank you and all the students
24 who helped in the preparation of that brief. Thank you.

25
26 C.K. KALEVAR, sworn:

27 THE WITNESS: Thank you.

28 Thank you, Mr. Commissioner and Mr. Roland for giving
29 me a chance to speak tonight instead of tomorrow. To
30 start with, I would like to say that I do not work for

C. K. Kalevar

1 the TransCanada Pipeline and that should just about say
2 what my position is with the Mackenzie Valley Pipeline.
3 Except him, just about everybody else was opposed to
4 Mackenzie Valley Pipeline and so I am. So really, what
5 is new in my brief and going back in circles, I did
6 agree with Mr. Cameron of TransCanada Pipeline when he
7 said that we must find mutuality of interest between
8 the people of the south and the north. Now, I think
9 that's a very good statement, but I would like to
10 interpret that statement with a global perspective.
11 In effect, the south and north that he referred to was
12 was probably the southern Canada and the Northwest
13 Territories and the northern Arctic, while I would like
14 to take a global view of things and perhaps rightly so.
15 After all, Mr. Berger has said that the Mackenzie Valley
16 Pipeline is the most costliest pipeline to be built, if
17 it is built. I hope it is not. But with those creden-
18 tials to the pipeline, I'm certain it's not difficult
19 for people to see that it is going to have global
20 repercussions, and the global repercussions is something
21 we cannot ignore in a small planet that we live, and
22 we have heard this before many times.

23 I am also going to evaluate
24 what implication this opposition means in terms of the
25 future of the throw-away economy that we live in. I
26 think, in my opinion, that in a throw-away economy, a
27 lot of things are thrown out, and I'm going to, in a
28 brief manner, look at the pricing of some of the things
29 that we use in a day-to-day life. The price mechanism,
30 as it exists under the market system, has failed us as

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1 a society, in my view and certainly failing the future
2 generations to come.

3 I do want to acknowledge a few
4 things I have learnt from Canadian Indians, I mean
5 from the native Canadian Indians. I myself, am a
6 Canadian Indian, but I consider myself an immigrant
7 Canadian Indian. Something I picked up which I think
8 might be useful, perhaps you've heard, Mr. Commissioner,
9 already this before. The story goes: A white man and
10 a native Canadian were, you know, discussing a few
11 things and the white man drew two circles, one larger
12 than the other and said: "The smaller circle is what
13 the Indian knows and the larger circle is what the
14 white man knows". The native listened, thought about
15 it for a while, got up and drew a much bigger circle
16 covering both of them and then, said quietly: "And that
17 circle is what we both don't know".

18 I think it is with that humili-
19 ty, I will hope this Commission would look at the
20 Mackenzie Valley Pipeline. It is how much we do not
21 know and might matter tomorrow, even if we did not
22 foresee it today with the best of expertise available.

23 Before I get on with the brief,
24 it just occurred to me with the interesting philosophi-
25 cal dialogue that went on, that there is a linear
26 philosophy and then there is a circular philosophy. I
27 say what is my philosophy. I just couldn't put it either
28 in the linear philosophy bracket or the circular philo-
29 sophy bracket. I find my personal philosophy is the
30 random walk of a drunk. It goes all over, circles,

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1 straight line, everything, and I find, it works quite
2 well, at least for me. I hope this has some relevance
3 when the brief comes. Now, Mr. Commissioner, the brief.

4 It should not come as a surprise
5 that the Mackenzie Valley Pipeline, the costliest pipe-
6 line in world history has global implications. The
7 social repercussions caused by the Mackenzie Valley
8 Pipeline are not only global, but eternal, in the sense
9 that all the non-renewable resources that will be
10 allowed to exploit will be lost to the future generations
11 yet to come. I plan to outline the impact of the
12 Mackenzie Valley Pipeline on the human environment
13 globally now, and the future human environment. It's
14 a very small brief, three pages; I hope you'll be with
15 me.

16 It is nearly 500 years ago that
17 the Americas were "discovered", and the spherical nature
18 of the earth established. A non-controversial fact, but
19 its socio-economic and political implications have still
20 to surface in public consciousness. What I am driving
21 at is, sir, that facts do not register in the minds of
22 the people as we wish and there are some very basic
23 facts that are escaping the higher levels of decision-
24 making in governments, in Canada, and perhaps the world
25 over.

26 Something on the throw-away
27 economy. In a world of limited resources, the importance
28 of conservation need not be stressed. If people were to
29 be logical and instantaneous in their realisations, then
30 our forefathers would have begun practising conservation

1 of resources the first time they realised that the
2 earth is round and limited, however with limited vision,
3 and human expediency in political power, the people in
4 North America developed, what I term, the throw away
5 economy wasting resources, and designing products for
6 absclascence misguiding the creative ability of
7 generations to produce for a few selfish short-sighted
8 greedy people - the paper profit in dollars. This
9 profit has further strengthened these people in wasting
10 limited resources, and misdirecting people.

11 When these people continue to
12 determine the operations of the economies of the OECD
13 countries, who have 20% of world's population, but
14 consume 80% of the world's resources, then the explora-
15 tion and development of more easily accessible resources-
16 I'm referring to the Arctic resources; I consider them
17 more easily accessible compared to what future genera-
18 tions really face - the more easily accessible resources
19 without emphasis on conservation is socially irresponsi-
20 ble today, and will place future generations at a great
21 disadvantage. The disadvantage could amount to threat
22 of resource starvation in the near future if the
23 gluttonous appetite of the present generation is not
24 quickly tempered. It is difficult to ignore the
25 conditions of near-starvation facing the other 80% of
26 the free world's population.

27 The throw-away economy not
28 only exhausts the non-renewable resources, but pollutes
29 the limited life-sustaining resources of water, air and
30 land. Many non-renewable resources can be recycled,
just like water and air are naturally recycled, however

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fossil fuels unlike metals are not recyclable. The limited fossil fuels are being irrevocably lost, polluting the air and water of the high seas. The gluttonous generation is potentially likely to choke on its own faith.

Something on fossil fuels: The central nature of fossil fuels in the throw-away economy need not be stressed, thanks to the Arab oil embargo. It has been possible to build and operate an economy designed for absolascence, only because the wasteful work involved in producing these unnecessary products has been performed by the plunder of the limited fossil fuels. If man, we are to make everything by hand, he wouldn't be making underarm deodorants. There just wouldn't be time for it.

I do not understand this note.

It says:

"Mr. Kalevar, fifteen minutes."

Do I have fifteen minutes more or --

MR. ROLAND: It's getting late, Mr. Kalevar; we'd like you to move along as quick as you could.

A Oh, okay.

THE COMMISSIONER: Their job is to move along, but my job is to listen to you, so you just carry on.

A If I don't understand, sir -- All right.

A stringent energy conservation program would be key to restraining the energy wasteful

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1 processes, and unnecessary products. Well, I'll skip
2 it out.

3 Now, imperfections of the
4 market mechanisms: The so-called free market mechanism
5 depends on price to signal fluctuations in demand and
6 supply, and also supposed to allocate limited resources.
7 A price mechanism has to be found to reflect the concerns
8 for the future generations, and global equity, for the
9 free market mechanism does not today reflect such
10 concerns adequately.

11 A price comparison of some
12 critical, non-renewable oils and non-essential substitu-
13 table drinks is revealing. I have, sir, made some
14 rough calculations on price per gallon of crude oil,
15 heating oil, gasoline, beer, wine, and whisky. Crude
16 oil per gallon costs a quarter, heating oil, fifty cents,
17 gasoline, one dollar. Beer, a non-essential, I think,
18 costs four dollars a gallon, wine, twenty dollars, and
19 whisky, fifty dollars. Anyone concerned about the
20 survival of the human species would agree that the
21 prices above do not carry that vital sense to the
22 consumer. A price mechanism reflecting the concerns of
23 the future generations will price the non-renewable,
24 limited, critical oils higher than the annually renew-
25 able, substitutable, non-essential drinks by at least
26 an order of magnitude. Needless to say that such an
27 increase in the price of oils be preceded with the
28 nationalization, or better still globalization of the
29 multinational corporations. It is my belief that all
30 non-renewable resources be priced higher than the

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renewable resources, because you are sharing them with the future generations, and all substitutable resources be priced lower than the non-substitutable resources, for obvious reasons.

With that brief overview, I would like to come down to the Mackenzie Valley Pipeline and why I am opposed to it.

The opportunity cost of building it is too high in terms of missed housing, hospitals, schools, social services, and economic development in the third world. Second, the ecological cost to the physical and living environment is unacceptable. Oil accidents in the north could affect the weather of the prairie bread basket region. In my opinion, food is more essential than oil, or gas. The native land claims have not yet been settled to their satisfaction. The social repercussions of the construction activities alone may totally destroy the native cultures. Fifth, to ensure adequate rate of return, it may be necessary to subsidize the sale of Canadian gas to the what I term, the most gluttonous country in the world, United States. They are consuming the most resources any country in the world is consuming. Sixth, the need for stringent conservation measures in the throw-away economy will not be strongly pushed. Fossil fuel and other non-renewable resources will continue to be wasted because more will be available.

Canada is rich in resource. It is best to conserve now and help avoid explosive situations caused by resource competition in Middle East, South Africa, etc.

C. K. Kalevar

1 For example, today's "Globe"
2 carries the headline that Germany played a key role in
3 breaking the deadlock at Unye Unta.
4 I think Canada, as a developed country which exports
5 more raw materials than manufactured goods, is in a
6 unique position to play the mediating role between the
7 north and south, globally, I'm speaking. But, it will
8 help keep its view in a more limited and sensible way,
9 so that it has taken into consideration the long-term
10 implications for centuries to come when we are consuming
11 non-renewable resources accumulated over millions of
12 years.

13 The importance of playing such
14 a role in a nuclear world, in my opinion, is not
15 negotiable because the finality of it all is unthinkable.

16 I remain opposed to the building
17 of the Mackenzie Valley Pipeline because it enhances
18 global iniquity today, and threatens survival of the
19 species tomorrow, not to mention the native peoples in
20 the area in the very immediate sense. The Mackenzie
21 Valley Pipeline should not be built in this decade,
22 generation, or perhaps in this century. Not now.

23 Thank you.

24 (SUBMISSION OF C.K. KALEVAR - MARKED EXHIBIT
25 C-464)

26 (WITNESS ASIDE)

27 MR. ROLAND: Sir, that concludes
28 the evidence for this session and there will be no
29 replies or responses from either the pipeline applicants
30 or the intervenors.

1 THE COMMISSIONER: Well, thank
2 you, ladies and gentlemen, for staying with us until
3 this hour. I appreciate the contributions made by each
4 one of you and perhaps I might say, it may well be I
5 speak for all of you, when I make a special mention of
6 Mr. Little Bear's presentation in which he urged us to
7 think about the way in which we think about things.
8 So, the hearing will be at ten o'clock tomorrow morning,
9 two o'clock in the afternoon and then eight o'clock
10 tomorrow evening, and we'll have a brief Friday morning
11 session that will begin at 9 a.m. Friday morning. So,
12 we'll adjourn 'til ten in the morning.

13 (SUBMISSION OF CORE COMMITTEE FOR WORLD PEACE AND DEVELOP-
14 MENT - MISS M. NICHINI - MARKED EXHIBIT C-463)

15 (PROCEEDINGS ADJOURNED TO MAY 27, 1976)
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AUTHOR

Mackenzie Valley pipeline inquiry:

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Toronto, Ont.. May 26, 1976

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